

INTERNATIONAL

Herald Tribune

Published with The New York Times and The Washington Post

No. 30,803

***R

PARIS, WEDNESDAY, MARCH 3, 1982

Established 1887

Jaruzelski Ends Soviet Talks With Warning to Opposition

By Dusko Doder
Washington Post Service

MOSCOW — Polish military ruler Gen. Wojciech Jaruzelski on Tuesday formally pledged in the Kremlin to increase political, military and economic ties with Soviet-bloc countries and to quash "in a most resolute manner" any attempt to change the Socialist system in Poland.

The pledges, contained in a joint Soviet-Polish communiqué, suggested that the two countries have established a closer relationship than at any time since the outbreak of workers' unrest in Poland in August, 1980.

The 3,000-word document was published after Gen. Jaruzelski ended his two-day visit here with a red-carpet send-off. Thousands of Muscovites, waving Soviet and Polish flags, cheered the Polish visitor along the way to the airport in what was seen as a reflection of official satisfaction with the outcome of the talks.

President Leonid I. Brezhnev led a large group of high officials at the airport to see the Poles off. The military band played the Soviet "Victory March" as elite Soviet units marched before Mr. Brezhnev and Gen. Jaruzelski during the airport ceremonies.

In the communiqué, the Polish side set out its basic premises. It

said Poland "is and will be a Socialist state," that its "economic and political system is based on social property of the means of production" and the "power of the working class, of the working people" and the "steering role" of the Polish Communist Party.

It said the imposition of martial law was taken in accord with the Polish constitution to prevent counterrevolutionary forces aided by "imperialist circles" from overthrowing the Socialist system.

"It was stressed by the Polish side that any attempt to resume actions aimed at causing economic disturbances, at resumption of anarchy, disturbances, at changing the socialist and political system will be cut short, most resolutely in the future," the communiqué said.

The communiqué quoted Gen. Jaruzelski's statements about the Polish party's efforts to strengthen its unity on Marxist-Leninist principles and to restore its leading role in the society.

The Polish negotiators made no references to the independent trade union Solidarity, now suspended under the martial law imposed Dec. 13. But the document quoted the Soviet side's views on trade union activities, presumably suggesting what Moscow expects Gen. Jaruzelski to do when he gets around to reorganizing Poland's trade-union life.

The communiqué fully endorsed Gen. Jaruzelski's moves since the imposition of martial law. It also quoted the two sides as having identical views on the international situation and included their condemnation of U.S. policies.

Tsvigun Death Suggests Soviet Power Conflict

By Robert Gittere
Los Angeles Times Service

MOSCOW — The mysterious circumstances surrounding the death in January of Gen. Semyon K. Tsvigun, the deputy chief of the KGB, suggest the reawakening of political conflict at the highest levels of Soviet power.

Gen. Tsvigun, who died on Jan. 19 at the age of 64, officially from a "grave, prolonged illness," was President Leonid I. Brezhnev's brother-in-law. He is said to have a variety of Soviet sources to have committed suicide after a dispute over high-level corruption.

A Soviet journalist said that Gen. Tsvigun poisoned himself after trying, and failing, to confine a particularly sensitive investigation within the KGB. The journalist said he did not know the nature of the investigation except that it was centered in Moscow.

Suslov Argument Reported

A second Soviet source said that Gen. Tsvigun was understood to have killed himself after an intense argument with Mikhail A. Suslov, the Communist Party's chief ideologist, who died six days after Gen. Tsvigun.

That source, who has proved reliable in the past, said that the argument ended with Mr. Suslov telling Gen. Tsvigun, the KGB's most senior career officer, as covering up high-level corruption, and, on the other, as waging a determined but unsuccessful battle against it, the source said. The latter view coincides with remarks by a Soviet diplomatic analyst last December that the KGB was seeking to take over direction of a long-standing cam-

paign against corruption from the MVD, the national police, on the grounds that the MVD itself was riddled with corruption.

Three days after Gen. Tsvigun's death, Mr. Suslov, according to official press reports, suffered a stroke that led to death on Jan. 23. There have been no suggestions that Mr. Suslov's death was other than natural.

The wave of rumors about Gen. Tsvigun is only one of several indications that Mr. Brezhnev's personal power may be eroding at the margins.

Besides the seemingly reliable stories circulating about Gen. Tsvigun, the current campaign against corruption — hitherto limited to low-level officials and bumbling store clerks dabbling in the black market — has assumed political tones. The national director of Soviet circuses, who ranked as a deputy minister of culture, and a flamboyant friend of Galina Brezhneva, the Soviet leader's daughter, were both arrested recently.

Moreover, a new play in Moscow and an unusual article in a Leningrad satirical journal have cast an unfavorable light on the Brezhnev regime, in striking violation of custom. Soviet television has also twice shown the 75-year-old Soviet leader in the past month in a manner that conspicuously emphasized his age and feebleness.

In a country where very little of political significance is thought to happen by accident, none of this is considered trivial.

Western political analysts are inclined to agree that virtually nothing is known about who is engaged in this preliminary jousting for advantage or what their immediate objective might be.

Whatever the reasons for Gen. Tsvigun's death, he appears in re-

(Continued on Page 2, Col. 4)



INSIDE

U.S. Crime Soars

Crime has grown at a rapid rate in all of America's cities, a new study reports, and local governments no longer can control it. Page 3.

Nyerere Policies

Tanzanian food shortages are linked by some observers to President Julius K. Nyerere's dogged commitment to a kind of socialism that his country does not have the manpower to sustain. Page 4.

Jordanian Arms

Secretary of Defense Weinberger suggested that the U.S. response to a Jordanian request for arms would depend on whether Jordan reconsidered its military supply link with the Soviet Union. Page 4.

Covering El Salvador, Together

Rival Foreign Journalists Are Forced Into Cooperation

By Joanne Ormrod
Washington Post Service

SAN SALVADOR — It is 7 a.m. and already some of the camera crews are on the road, heading out to the corners of El Salvador to look for the war. Some of the print reporters are hitching along, crammed in the back of the minibuses along with the camera gear. Nobody goes out of the city alone.

The reporters who have stayed behind are having breakfast at the Cumino Real Hotel, table-hopping to find out what other journalists are doing. Offices open at 8:30, and anybody still around at 9 is either writing or has the day off.

But nearly everyone will be back by dark. For dinner, nobody goes out alone either.

Covering the war between the government and rebel guerrillas in El Salvador is a group effort. The U.S. Embassy says 110 foreign journalists plus camera and sound technicians are here. Although they try to adhere to U.S. and European standards of sourcing and cross-checking, they are operating in a country whose own press has always been a political actor, paid by one side or the other to write propaganda, not news.

The result has been mutual in-

comprehension, and fury between the foreign reporters and local officials, and much desperation cooperation among journalists who, in the United States, would hardly share a cab.

It is a way of life. When the junta took action in February against six National Guardsmen arrested for allegedly murdering four American nuns, reporters expected an easy story. Nothing could be better for the government's battered human rights image, and a parade of vans made the hour's drive to Zarcatecolca, where the judge was scheduled to make formal charges. But after an hour's wait, a court clerk mumbled that the event would occur in San Salvador instead.

But where in the city? The clerk gave directions to the district attorney's office, the district attorney to the National Police, the police to the central courts and so on until we had made seven stops. At 1 p.m. the government closed down, as it does every Saturday. No one had yet found out what the judge had done.

Our howls of rage must have levitated the U.S. Embassy. At 4 p.m., the Salvadoran president, José Napoleón Duarte, appeared at the Cumino Real to announce the charges against the



President José Napoleón Duarte of El Salvador, left, and Defense Minister José Guillermo García, center, talk with a wounded trooper of the elite Atlacatl Rapid Reaction Battalion in the Green Beret-trained assault squad. Right is Col. Domingo Monterrosa, the commander.

and that anybody aiming can read. Jouncing along the country roads the crews hope to spot a military patrol or a truckload of soldiers heading for an operation. Perhaps a guerrilla band will step out of the bushes and

stop the van. There is no way to know in advance where these encounters might take place.

One batch of four journalists, stopped like this, asked to join the guerrillas for their morning outing: an ambush for a military

transport vehicle expected along any minute. Hiding on a bluff above the road, the group tensed as the sound of a laboring engine approached. The rifles clicked ready and the rocket launcher (Continued on Page 2, Col. 7)

Top Korea Dissident Has Sentence Eased

By Henry Scott Stokes
New York Times Service

TOKYO — In an apparent move to conciliate critics at home and abroad of political repression under his rule, South Korean President Chun Doo Hwan Wednesday will reduce the life sentence of leading dissident Kim Dae Jung — once regarded as his most formidable rival for power — to 20 years in prison, according to a government announcement in Seoul Tuesday.

Mr. Chun will grant an amnesty to 2,862 other convicts, including 297 political offenders and 2,565 ordinary criminals, in a step to mark the first anniversary of his inauguration as president under a new constitution, the announcement said.

Human rights activists and relatives of political prisoners here and in Seoul denounced the amnesty as a palliative step with little significance for South Korea's known 419 political prisoners. They noted that no major

figures are to be released from prison.

But the announcement claimed that "the March 3 clemency will be more extensive than any previous amnesty" under Mr. Chun, will promote "an atmosphere of conciliation" among Koreans and "enhance national unity" by its sweeping character.

Two chief features of the amnesty are:

• All 13 prisoners involved in Mr. Kim's alleged conspiracy to overthrow the government in May, 1980, including leading theologian Rev. Moon Ik Kwan and political scientist Lee Min Young, have their sentences reduced.

• All 17 in prison for their part in South Korea's worst recorded civil uprising, at Kwangju in May, 1980, will receive shorter sentences, including student leader Chung Tong Nyon, an alleged plotter with Mr. Kim.

• All 125 convicted for their



Kim Dae Jung

part in the uprising by courts-martial and since released will have their civil rights restored.

The scope of the amnesty goes some length to support South Korean government claims that this is "more extensive" than any of several other amnesties by Mr. Chun, a former army officer who seized power under martial law in May, 1980, provoking the Kwangju uprising.

The 298 political offenders covered by the amnesty include (Continued on Page 2, Col. 1)

China to Cut 98 Big Bureaucracies To 52 and Reduce Staffs by Third

By Michael Parks
Washington Post Service

PEKING — China will start cutting its huge bureaucracy of 20 million by reducing the present 98 government ministries and state commissions to 52 in the next six months and trimming their staffs by one-third. Premier Zhao Ziyang said Tuesday.

The first 12 ministries and commissions to be streamlined will be merged into six and their ministers and deputy ministers cut from the present 117 to 27. Mr. Zhao told the standing committee of the National People's Congress, the country's parliament.

Mr. Zhao said that each minister would have no more than two to four deputies in the future, compared with the 20 or 25 many have now; that ministers could be no older than 65 and their deputies and department heads no older than 60, instead of the current average of more than 70; and that the number of deputy premiers would be sharply reduced from today's 13.

The 63-year-old premier is seeking the standing committee's approval for the most sweeping governmental reorganization China has attempted since the Communists came to power in 1949 — coming to grips with problems of bureaucracy that have bedeviled China for centuries.

Major shifts in political power seem inevitable with the streamlining — and the campaign against official corruption and the purge of ideological opponents and factional rivals that are accompanying it.

But Mr. Zhao sought to reassure the country Tuesday that it would not bring another upheaval like the Cultural Revolution, one of whose original targets in 1966 was the bureaucracy.

The task of streamlining the government's structure is very arduous and large in scale," Mr. Zhao told the committee, according to the Chinese news agency.

Mr. Zhao's remarks, made to a closed meeting Monday night of the Jewish Agency's board of governors and confirmed Tuesday by one of his aides, appeared to reflect a serious increase in the ten-

been great trepidation since there about where it would lead and how it would be carried out.

Mr. Zhao laid equal stress Tuesday on reforming governmental procedures so that duties and authority of each department are spelled out, qualified people are appointed to senior posts and a recruitment system is established.

The whole process will, as a result, probably stretch over three years, about twice as long as intended.

The British government, which was

something too awful to conceive."

The agency said that if both sides work together and the United States sees the light on the Taiwan issue, "U.S.-Chinese relations will still have a bright future."

Critical Point

It added: "The position of China remains to be striving for the best and preparing for the worst. Ten years after the Shanghai communiqué was issued during President Richard M. Nixon's visit, it said: "U.S.-Chinese relations have truly come to a critical point that will determine if relations improve or deteriorate."

"It is China's hope that such a regression will not occur," the unsigned commentary said, "but if such a situation is forced upon China, it virtually can do nothing to help. Again, for China, that isn't

Britain Slashes Oil Price by \$4; 2d Cut in Month

By Steven Rattner
New York Times Service

LONDON — British oil prices took a dramatic move downward Tuesday as the price of North Sea oil was reduced by \$4 per barrel. It was the second oil-price cut by Britain in a month.

The move reflected the effects of the continuing surplus of oil around the globe and provided additional pressure on other producers, particularly members of the Organization of Petroleum Exporting Countries, to reduce their prices.

Analysts here and in New York said Tuesday that the British action raised the likelihood of a widespread and major break in oil prices. In recent days, a conviction grew among experts that with the sharp fall-off in oil use, current OPEC prices cannot be sustained.

In particular, they believe that Saudi Arabia, the world's largest exporter, no longer has the ability to maintain its official price for Arab light of \$34 per barrel. Britain's announcement Tuesday brings the price of Forties Field oil, higher in quality than Arab light, to \$31 per barrel. And Arab light has been selling in the open market for as little as \$29.25 per barrel, delivered to the Gulf of Mexico.

"The Saudis have lost the handle, short-term," said Lawrence Goldstein, an economist with Petroleum Industry Research Associates in New York. He estimated that excess stocks worldwide now total 250 million barrels, compared to an official Saudi production level of 8.5 million barrels a day.

The British price-cut proposal was larger than expected but in-

cluded a moratorium on any further price reductions before June 30. On Feb. 8, Britain trimmed oil prices by \$1.50 a barrel.

Experts believe that one important factor in the decision for the latest reduction was increasing difficulty by the state-owned British National Oil Corp. in marketing its 1.1 million barrel-a-day share of the national output of about 1.9 million barrels a day.

The announcement from Britain Tuesday is likely to intensify efforts by OPEC members to call a special meeting to reach a compromise. The organization's president, Mana Said al-Oteiba, flew to Riyadh Tuesday to see Sheikh Ahmed Zaki Yamani, Saudi Arabia's oil minister.

Venezuela Cuts Prices

Petroleum industry experts also reported Tuesday that Venezuela has reduced the price of its lower-quality oil by \$2.50 per barrel and has privately promised a similar reduction in its higher-quality crude. Last week, Mexico cut its price by \$2.50 to \$32.50, well below official OPEC levels.

As for Britain, the private companies producing in the North Sea, where the price a year ago was \$39.25 per barrel, must still formally accept the BONC proposal, which was conveyed to them in telexes Tuesday afternoon.

For the British government, scheduled to unveil its budget next Tuesday, the price reduction has severe adverse consequences. The British treasury stands to lose \$1.45 billion to \$1.8 billion a year in taxes and royalties from the \$4 reduction.

As for Britain, the private companies producing in the North Sea, where the price a year ago was \$39.25 per barrel, must still formally accept the BONC proposal, which was conveyed to them in telexes Tuesday afternoon.

For the British government, scheduled to unveil its budget next Tuesday, the price reduction has severe adverse consequences. The British treasury stands to lose \$1.45 billion to \$1.8 billion a year in taxes and royalties from the \$4 reduction

French Aide Tells U.S. Blocking Gas Pipeline Might Provoke Russia

By Hobart Rowen
Washington Post Service

WASHINGTON — French Foreign Trade Minister Michel Jobert has warned the United States that an effort to frustrate Western European commitments to buy natural gas from the Soviet Union would likely be taken as "an unfriendly gesture" by the Soviet Union.

ion, exacerbating tensions between the two superpowers.

In an interview Monday at the French Embassy during a round of trade talks with U.S. officials, Mr. Jobert acknowledged that France "is not happy" at the prospect of having to depend on the Soviet Union for one-third of its natural gas supplies.

But he rejected the argument made by the Reagan administration — reiterated during the weekend by Defense Secretary Caspar W. Weinberger — that the dependence is excessive, estimating that it will amount to less than 5 percent of total French energy supplies.

Competing Interests

Mr. Jobert's comments on the gas pipeline and supply issue illustrated a phase of the growing strain between Europe and the United States on economic and security issues. He said the French government was uncomfortable at being caught between the competing interests in Europe of Washington and Moscow.

The French minister, who is here on a get-acquainted mission, met Monday with Treasury Secretary Donald T. Regan, Commerce Secretary Malcolm Baldrige, Trade Ambassador William E. Brock and officials at the State Department.

"No doubt, the world political climate depends in many ways on the state of U.S.-Soviet relations," Mr. Brezhnev said Monday. "But this is not the whole truth. The political weight and influence of other states, including European ones, is also great in the solution of world problems. Their voice can be a decisive one."

Mr. Brezhnev added a renewed appeal to the Reagan administration to place other disputes aside in the interest of progress in disarmament talks.

"We stand for the continuation and enrichment of the dialogue between East and West. We stand for brushing aside the mounds of accusations and counteraccusations and for getting down to a practical solution of urgent problems, in the first place that of disarmament," he said. "In short, we are against confrontation but for accord and businesslike cooperation."

Sensitive Issue

On the increasingly sensitive issue of buying natural gas from the Soviet Union, Mr. Jobert said that the United States had not come forward to offer France the gas it requires over the next half-dozen years, after which he believes there will be a worldwide surplus.

"But we need energy [now]," Mr. Jobert said, "and where are we going to find it? We need it in order to earn our own living, and we're not going to stop earning our living."

Mr. Jobert said that if the United States attempted to place export restraints on sophisticated equipment for the pipeline, "it could be delayed by as much as two years. But the Russians are going ahead with this project. It is going to be done."

Asked if a U.S. effort to block equipment would be taken by France as an unfriendly gesture, Mr. Jobert turned the question around and suggested that it would be the Russians who would be provoked.

"The heart of the question," he said, "is, 'Do you want to make war with the Soviet Union or do you want to cooperate with them?'

Polish Martyr Of Auschwitz To Be Saint

United Press International

VATICAN CITY — Father Makysimilian Kolbe, a Polish priest who gave his life for a prisoner at the Auschwitz concentration camp and a revered spiritual figure in Poland, will be made a saint, church officials announced Tuesday.

The Rev. Vitale Bonmarco, a priest of the Franciscan order that Kolbe belonged to, said the canonization would be held Oct. 10 in Rome. He disclosed that Pope John Paul II, who holds special veneration for the martyred Kolbe, granted a dispensation from normal requirements for sainthood.

On Aug. 14, 1941, the Auschwitz commandant ordered that 10 prisoners be starved to death in a concrete bunker as punishment for the escape of another inmate. When a Polish worker with a wife and two sons was chosen to die, Kolbe slowly stepped out of the line and told the SS colonel: "I am alone, a priest, and he has a wife and children. Let me take his place."

For 10 days Kolbe could be heard leading the 10 men in prayers and hymns, but one by one they died. After 10 days, when Kolbe and three other men were still alive, the Nazis injected carbolic acid into their veins because they needed the bunker for other prisoners.

Mrs. Thatcher said: "We do not have the power to prevent our sportsmen and sportswomen from visiting South Africa or anywhere else." Meanwhile, the controversy over the tour by some of England's best players continued to grow, with the chairman of the Nottinghamshire County Cricket Club demanding that the players be banned from English cricket for

their visit.

Under pressure from all sides in the House of Commons, Mrs. Thatcher insisted that the British government still supports the Gleneagles Agreement of 1977, under which Britain and other Commonwealth countries pledged to discourage sports tours of South Africa because of its racial policies.

Mrs. Thatcher said: "We do not have the power to prevent our sportsmen and sportswomen from visiting South Africa or anywhere else."

Meanwhile, the controversy over the tour by some of England's best players continued to grow, with the chairman of the Nottinghamshire County Cricket Club demanding that the players be banned from English cricket for

their visit.

From Australia to Zaire, our worldwide system has a top-condition rental car waiting for you in any of 101 countries and territories.

We feature GM cars like this Opel Rekord.

Natcar

National Car Rental

You deserve National attention.



The man and woman who ran their car through the U.S. Embassy gate leave the compound with a consular official.

Couple in Moscow Crashes Auto Through Gates of U.S. Embassy

United Press International

MOSCOW — A man and woman crashed their car through the iron gates of the U.S. Embassy Tuesday and spoke with American officials for five hours before leaving.

Consular officers convinced the couple to leave the embassy compound shortly before noon and put them in a taxi bound for the procurator general's office, the highest legal authority in the Soviet Union.

The man and woman did not identify themselves but said they came from an area near Lvov, a Ukrainian city near the Soviet border with Poland. They drove a Zhiguli sedan past Soviet police who stand guard outside the embassy at 6:30 a.m. and crashed through the half-closed iron gates of the north portico, smashing the rear right door of the auto and breaking window glass. The collision caused minor damage to the embassy.

The couple's demands were not known. Embassy officials said matters involving the consular section — which deals with emigration requests — are kept confidential.

It was the fifth such incident at the U.S. Embassy since Aug. 29, 1981. The last intruder, a former mental patient armed with a shotgun, stayed almost five hours on Oct. 10 before embassy officers could convince him to leave the embassy.

Canada Gets Its Brand Of 'New Federalism'

By Henry Giniger
New York Times Service

OTTAWA — Canada has a new federalism, according to Prime Minister Pierre Elliott Trudeau, and it has generated as big a furor as President Reagan's brand.

Unlike Mr. Reagan, Mr. Trudeau wants to increase the federal role in almost all fields and end what he calls the insatiable appetite of the 10 provinces for more power and money. Thursday, in announcing the end of cooperative federalism, he said that he had tried governing by consensus and cooperation and had been "kicked in the teeth."

"I thought we could build a strong Canada through cooperation," he said. "I have been disillusioned."

Instead of trying to please the provinces, Mr. Trudeau said, Ottawa will now try to please itself and "hopefully those Canadian people who think there must be a government of Canada that will have some powers and some tax room left."

"And that," he said, "is the new federalism, if you want to call it that."

Among Mr. Trudeau's critics is Quebec's new minister for intergovernmental affairs, Jacques-Yvan Morin. He will make his first visit to the United States this week as a way of reaffirming Quebec's determination to resist federal encroachment and manage its own economic affairs.

He was putting a priority on increasing the province's commercial relations, particularly with the United States, to which it already sends 60 percent of its exports. Mr. Morin will visit New York and New England, primarily to promote such Quebec exports as iron ore, hydroelectricity and finished goods.

Other Provinces Protest

In an interview in Quebec, Mr. Morin said, "Mr. Trudeau is heading toward centralization, above all in the economic field, and we must therefore react by upholding as much as possible the Quebec government as the prime mover of our development."

"The best way to safeguard our powers of government," he added, "is to exercise them."

At a news conference last week, Mr. Morin said Quebec's survival as a distinct society was in danger. "The federal offensive," he said, "if it is not countered, will lead to the gradual extinction of Quebec."

As representative of a culturally distinct society, the Quebec government is more sensitive than most provincial governments to Ottawa's attempts in the last two years to impart stronger direction in such matters as constitutional

A second corruption arrest with political overtones followed on Feb. 17, when the MVD seized the national head of Soviet circuses, Anatoly A. Molevalov, and a \$1.4-million hoard of illicit diamonds and foreign currency.

Some Soviet sources speculate that Gen. Tsvigun may have been trying to protect Mr. Brezhnev's daughter and son, Galina and Yuri, from implication in financial scandals. Galina Brezhnev, 53, is married to Lt. Gen. Yuri M. Churbanov, 45, the first deputy chief of the MVD police. Yuri Brezhnev, 48, is one of three first deputy ministers of foreign trade.

Ten days after Gen. Tsvigun's death, the KGB arrested a frequent companion of Galina Brezhnev, a man of legendary bravery, as Jews were forced to do by the Nazis.

Gen. Tsvigun's sources said, has been charged with illicit dealing in diamonds and foreign currency. He and Galina Brezhnev were frequently seen together dining at the All-Union Theatrical Society restaurant on Gorky Street in Moscow.

According to reports present, there were scuffles between demonstrators and troops and police men.

Meanwhile, the army's chief of staff, Lt. Gen. Rafail Eytan, was criticized for remarks he made to demonstrators Sunday, in which he promised "to speak to whoever has to be spoken to in order that everything will return to its former state." The implication was that he would appeal to Mr. Sharon and Mr. Begin to remove the roadblocks.

Mr. Begin's office denied press reports that the prime minister had threatened to fire the general if he repeated such remarks.

SYNTHETIC FUELS

Gasoline, Diesel, Heating Oil

Patented Process
Pilot Plant in Operation
Licenses or Partnership available

Tel: (305) 758-0346
Telex: WUI 681-1192
515 Grand Concourse
Miami Shores, Florida 33138/U.S.A.

U.S. Is Holding Talks With Latin Americans On Expanding Bases

By Michael Getler
Washington Post Service

"basically we have essentially either the potential or the actuality of what we need to be of assistance in preventing the increase of Communist aggression in that part of the world."

But when asked again by Rep. Ginn about future access "in this region," Mr. Weinberger added: "We have discussions under way, basically of a classified nature, that would enable us to add to the number of facilities that we see in the future we may sometimes need. Obviously, they are proceeding on a completely negotiated basis between sovereign countries. I think there is a full appreciation in a number of those areas of the importance of having facilities of this kind that can serve our mutual benefit."

The overall military construction budget request for fiscal 1983 totals \$8.2 billion, including \$45 million for so-called contingency facilities for the Air Force and \$39 million for the Navy. It has not been stated publicly what those funds are for, though sources say the Navy money is primarily for construction work at Somalia and Diego Garcia in the Indian Ocean region.

Airfield Improvement

The idea, according to government officials, is to improve airfields in the countries involved so that if help is needed from the United States or other regional allies there will be places to land and refuel military aircraft.

The United States maintains a large naval and air base at Guantanamo Bay on the southeastern tip of Cuba. The Army's Southern Command — with land, air and naval facilities — is located in Panama.

The effort to expand the number of places where U.S. or allied forces might be able to operate from is a sensitive matter, according to government officials, because negotiations are not completed and because a number of countries in the region, while concerned about Cuban and leftist activities, are also worried about being too overtly identified with the United States or about the possibility of U.S. intervention in the region.

The matter arose publicly when Rep. Bob Gim, a Georgia Democrat, asked Mr. Weinberger what efforts the Pentagon planned to counter Cuban expansion in the region and whether Mr. Weinberger envisioned the need for access to facilities.

Mr. Weinberger said the United States had facilities in that area and was working to improve them.

While it would be useful to have additional bases, he continued,

Kirkpatrick Denounces Nicaragua

By Michael Getler
Washington Post Service

WASHINGTON — Ambassador Jeanne J. Kirkpatrick said the "assault" on thousands of Miskito Indians in Nicaragua by that country's Sandinista government is "more massive than any other human rights violation that I'm aware of in Central America today."

Mr. Kirkpatrick, who is representing the United Nations, was testifying Monday before the Senate Foreign Relations Subcommittee on Western Hemisphere Affairs. She said that while there were not many "model" regimes in Central America, Nicaragua "probably stands in first place as a human rights violator" because of the "campaign of systematic violence" against Indians who have resisted incorporation into the leftist revolution.

Mr. Kirkpatrick's testimony echoed that of other administration officials who have stepped up their case that the Cuban-backed Nicaraguan government is a menace to other governments in the region and has turned out to be more repressive than the dictatorship of Anastasio Somoza, which it replaced.

This line of testimony, however, prompted Sen. Paul E. Tsongas, Democrat of Massachusetts, to ask Mrs. Kirkpatrick if the repeated invoking of the Indians to discredit Nicaragua is part of a much larger plan to blockade Cuba or Nicaragua with U.S. naval forces and shut off the flow of arms from these countries to rebels fighting the U.S.-backed government in El Salvador.

Senator's Theory

Sen. Tsongas said he, too, was concerned about how the Indians were being treated and that he also accepted that an unknown quantity of arms were flowing to the rebels, "but I happen to think something is going on."

As Sen. Tsongas speculated, things are deteriorating for the Salvadoran government, and President Reagan has committed himself personally to the effort to save the region from Havana-style takeovers. While there is no support for sending U.S. ground troops, Sen. Tsongas reasoned there is a reservoir of anti-Castro feeling in this country that Israel would be also disturbed by the need to withdraw, but that Israel would stand by its international commitments. "No, we won't surrender," he declared. "We are fighting for the peace now...."

He had harsh words for the militiamen. He directed his assault mainly against Hanan Porat, a leader of Tzahal and a Knesset member who was helping to organize the resistance.

"This was the plan: to bring students of the ages of 15, 16, down to the area," Mr. Begin said. "What kind of hatred are you implanting in 15-year-olds?" He asked. He noted that demonstrators were marching wearing yellow stars, as Jews were forced to do by the Nazis.

Nonresidents Evicted

"And they called the Israeli soldiers Nazis," Mr. Begin said in disbelief.

Nonresidents of the Sinsai, including a group of yeshiva students, were evicted from Sharm el Sheikh Tuesday, according to the Israeli radio, and Mr. Sharon said that Wednesday the army would begin evacuating squatters from the Yarmut region. Twenty-three residents, who stole into the area around army roadblocks, were arrested Monday at a settlement called Priel.

According to reporters present, there were scuffles between demonstrators and troops and police men.

Meanwhile, the army's chief of staff, Lt. Gen. Rafail Eytan, was criticized for remarks he made to demonstrators Sunday, in which he promised "to speak to whoever has to be spoken to in order that everything will return to its former state." The implication was that he would appeal to Mr. Sharon and Mr. Begin to remove the roadblocks.

Mr. Begin's office denied press reports that the prime minister had threatened to fire the general if he repeated such remarks.

WORLD NEWS BRIEFS

U.S. Senate Passes Anti-Busing Bill

United Press International

WASHINGTON — The Senate gave its approval Tuesday to the most far-reaching anti-busing legislation ever to move through Congress, but chances for House passage appeared slim.

After months of stall tactics by liberals and hours of emotional debate, the Senate approved the bill 57 to 37. The anti-busing provisions were attached to an otherwise routine \$2.45-billion authorization for the Justice Department for 1982.

The provisions would prohibit federal courts from ordering busing for desegregation of more than five miles (eight kilometers) or 15 minutes each way daily; prohibit the Justice Department from initiating suits designed to seek busing for desegregation; and permit the department to remove or reduce busing orders already in effect.

One Hurt in Attack on Ulster Official

United Press International

BELFAST — A sniper fired five shots at Northern Ireland's top judicial official Tuesday, missing him but wounding a passerby, police and Queen's University officials said.

Lord Chief Justice Robert Lynd Erskine Lowry, 61, had just arrived at the south Belfast campus to give a luncheon speech to the law faculty when shooting began from a vacant house nearby, university spokesman Ivan Strahan said. He said at least one bullet struck Robert Peake, an accounting professor, in the leg.

Florida's Mullet Patrol: Anchors Ho, Crab Claws And the Scales of Justice

By Gregory Jaynes

New York Times Service

TITUSVILLE, Fla. — There are some practiced piscators who believe that certain wily fish can laugh, that they make a thin silvery, tinkling sound. This story accepts that premise.

Friday night a deputy sheriff and three prisoners bade goodbye to Sheriff Jake Miller and drove off towing a 19-ton boat to the Indian River. On the hull of the boat a prisoner had painted a sloe-eyed mullet in a snappy officer's hat and around the fish was lettered "Brevard County Mullet Patrol." This was the idea of Sheriff Miller, whose last words to his new patrol were, "Now, boys, don't take that boat to Cuba."

The sheriff explained that this was only a training exercise. He said the big schools of mullet would not come in from the Atlantic to lay their eggs for another month or so but he wanted to be ready by then. He expects his patrol to pull in 600 to 700 pounds of fish a night and that he can save the county more than \$15,000 a year by feeding his prisoners fish a few times a week. Mullet are bluish fish weighing about a pound.

The Mullet Patrol is only the first step in an ambitious plan, however. The sheriff, who has an overcrowded jail like almost any other U.S. sheriff, hopes to persuade the county commission to give him 50 acres on which to build a new jail and to give him \$3.9 million to build it with, and then he will have his prisoners raise beef and pork and vegetables, as well as go fishing, for their food. He also thinks fishing and farming will keep down tensions in his institution.

Net Put Out

The mood on the boat, meanwhile, was far from tense. The Mullet Patrol commander, Frank Cassady, a court liaison officer selected as leader because he spent six years in the Navy, had ordered his men to pay out 200 yards (182 meters) of net. First Inmate Kim Morin (serving 30 days for a traffic violation) was in the bow, and Seaman Cisco Bell (30-day sentence for nonpayment of child support) and John Tanner (180 days for a lot of nonpayment of child support) were in the stern. On the shore was Gene White, classifications officer who stayed in touch with a citizens-band radio and used the name "Mullet 2."

"Make sure you're not in the channel," said Mullet 2. "We've got to follow the law, even though we are the law."

After they had set the net and run along parallel to it banging on the boat with gaffs, a maneuver designed to drive the fish into the net, they stopped in the gathering darkness and Mr. Morin beaved the anchor. Cupping his hands round his mouth, he called, "Anchors ho!"

"Kim," Mr. Cassady said gently, "it's anchors aweigh."

Again this time another boat came along at top speed and made straight for the net. Everyone on the county boat screamed and whistled and the other boat made a turn, barely missing the net. The same thing happened again, and then the Mullet Patrol put in the water a flashlight stuck in a block of plastic foam and lighted the boat with spotlights. It was time to harvest the catch.

For awhile nothing appeared in the net but after pulling up a few more yards of it Mr. Bell came across a rock crab. He asked for gloves. The crab would not let go of the net, and so Mr. Bell pulled off one of its claws. Mr. Morin remarked that it would grow back and went on to say to himself that it was against the law to pull off both claws.

They kept taking in net and occasionally found a catfish, but that was all. Catfish are scavengers that are relished in some areas but in others, like Titusville, they are tossed back with revulsion.

"This is terrible," said Mr. Morin, disposing of a catfish. "This is worse than we've ever done, and we ain't never done real good."

When it was over, they had taken in only two crab claws. They made for shore in the dark and suddenly there was a sickening jolt and a definite loss of forward motion. "When you want to leave," Mr. Cassady said curiously, "it helps to take in the anchor."

So the inmates corrected the problem, and they were off again. Everyone was silent until a stiff breeze knocked the fire off Mr. Cassady's cigarette and the ashes flew into his face. "Well, there goes my mustache," he said painfully. "Smell that hair? Son of a gun!" He patted his singed upper lip.

Back on land they cleaned up after themselves and then everyone went to jail. A fingernail mood began to show and far out in the river there came a faint rustle, metallic yet liquid, like a submerged wind chime.

U.S. Study Says Crime 'Surging' Regardless of Place, Enforcement

By Thomas O'Toole

Washington Post Service

WASHINGTON — Crime has grown at a rapid rate in all U.S. cities, regardless of their size, location, minority populations or whether they are gaining or losing population.

It is no longer a local problem to

be dealt with on a local level but is a national phenomenon growing at almost the same rate from Long Island to Los Angeles, beyond the control of local governments.

These are some of the surprising conclusions of a 3½-year study done for the U.S. Justice Department by Northwestern University's Center for Urban Affairs and Policy Research, near Chicago.

"The growth of crime appears to be the result of fundamental changes in the lifestyles of Americans," write Profs. Herbert Jacob and Robert L. Lineberry, who conducted the \$923,000 study for the National Institute of Justice. "It is the result of greater affluence which made more valuable goods available for theft, a condition aggravated by the greater propensity of Americans to leave goods unguarded in empty homes and expose themselves to dangerous situations in traveling around their cities."

396 Cities Studied

The result of all this, the two political scientists say, is that "crime has surged everywhere in the United States regardless of local efforts to stem the tide. Whether local officials have engaged in Herculean efforts or none at all, the crime wave affected their community."

On his way out of the room, Mr. Reagan was asked his reaction to accounts that the recession was deepening. "It has begun to level out," the president said. "That always happens at the bottom. You've got to have a curve before you stand-up."

When a reporter observed that the Titanic had sunk even though its rate of decline had changed, Mr. Reagan made a sweeping curve with his right hand and picked up on the metaphor.

"The ship is afloat," he said.

"It's just in the hollow of the wave and riding out for the next curve."

Paralyzed by Handwringers

On Monday, Mr. Reagan told a political fund-raising audience here that Washington "seems paralyzed by handwringers... pessimists on the Potomac."

Although Mr. Reagan said he is open to ideas on reducing the deficit, he said in a speech: "My commitment to cutting taxes and rebuilding our defense is every bit as strong today as it was the day I took office. There must be no retreat in these areas."

In a meeting in Washington with Republican leaders earlier on Monday, the president said the recession has "begun to level out" and vowed that he would not retreat on his tax-cut program.

"I would say that the president has not moved one inch," said Senate Finance Committee Chairman Robert J. Dole of Kansas, after he and other Republican members of the panel joined Sen. Howard H. Baker Jr., Republican of Tennessee, for the meeting at the White House.

Mr. Reagan then went to a gathering of small-business leaders in the East Room where he gave a fiery pep talk in defense of his economic program. He asked them a

better atmosphere to the talks," he said. Mr. Murdoch had threatened to close The Times and its sister weekly, The Sunday Times last week if he could not trim the staff of 2,600 employees by 600. He said overmanning is a principal reason the two papers are together losing £15 million (\$27.3 million) a year.

After negotiations with the unions failed to produce sufficient agreement on voluntary layoffs, Mr. Murdoch Feb. 23 announced he was firing the 210 clerical employees effective March 9.

Leipzig Fair German Democratic Republic

14/20 March 1982
5/11 September 1982

Twice a year, Leipzig becomes a meeting place for buyers from some 100 nations and exhibitors from 50 or more countries.

Leipzig is recognized throughout the world as the gateway to the stable, steadily expanding market of the CMEA countries. The GDR is the biggest exhibitor; at Leipzig it carries through some two thirds of its total foreign trade. The framework of Leipzig, a multi-branch Fair, offers optimum conditions for market research and estimation, far expanding contacts, and for doing business. Major international participation is a feature of all the principal product groups, and an important program of scientific and technological conferences and lectures supplements the displays.

Leipzig, 800 years old, is a Fair for specialists with their eyes on tomorrow.

Leipzig Fair
German Democratic Republic

14-20.3.1982



United Press International
FOOLED AND FOILED — A would-be hijacker waving a cigarette lighter and a bottle filled with yellow fluid tried to divert United Airlines flight 674 to Cuba on Monday. Passengers said the pilot tricked him into thinking the jet had landed at Havana, when, in fact, it had arrived at the Miami airport. The man, identified as Guillermo Alvaro Mejor Diaz, 23, an unemployed resident of Chicago, was then overpowered by the co-pilot and an off-duty pilot who was a passenger. He told the FBI he came to the United States from Cuba in 1980.

N.Y. Suggests Use of Tax Breaks As Way to Keep Newspaper Afloat

By Jonathan Friendly

New York Times Service

NEW YORK — Deputy Mayor Karen N. Gerard has told the owners of The Daily News that New York City could provide "tax incentives and other financing tools" to help them or a new owner shift the paper's Manhattan printing operations to a new location in the city.

Mrs. Gerard, who supervises programs for economic development, also said the city could assist with "labor issues that must be resolved if The Daily News is to operate on a profitable basis."

The Tribune Co. of Chicago has been trying to sell the paper since December, saying it did not want to pay for an upgrading of the printing plant believed necessary to make the paper profitable again. The publisher of The News, Robert M. Hunt, had proposed a \$60-million plan to improve the paper's plant in the borough of Brooklyn and end printing at the News Building on 42nd Street at Second Avenue.

Search Spared Fears

The Tribune Co. has not said what it will do if it cannot find a buyer, but its search has spawned fears among the 3,800 employees that it might close the 62-year-old tabloid and take what it can get for the Manhattan building as compensation.

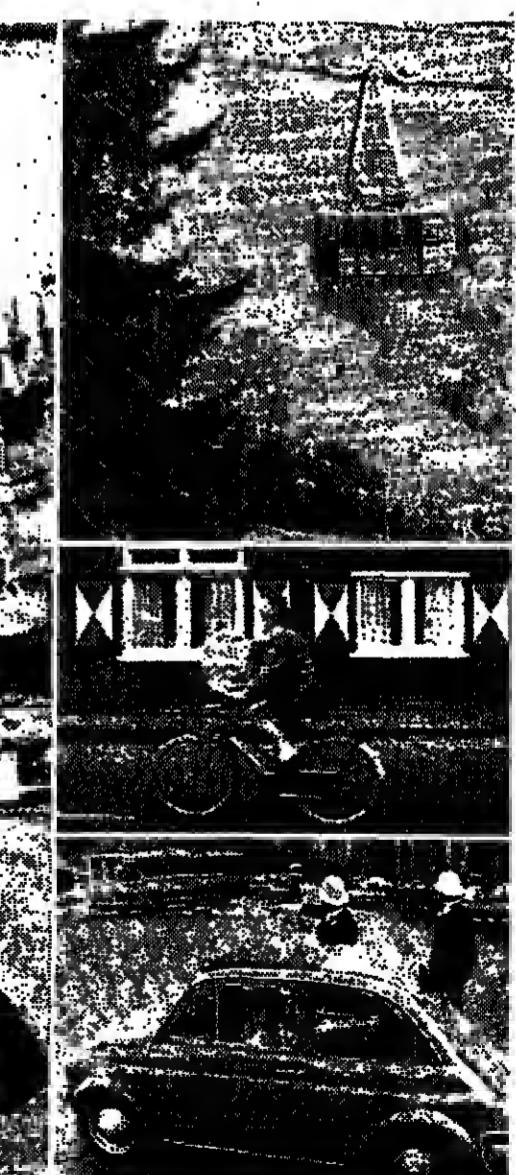
Meurice Hotel in Paris: everything is new except the charm.

Phase 3 of the renovation program has been completed.

Hôtel Meurice 228, rue de Rivoli 75001 Paris - Tel. 260.38.60 - Telex 230.673 F

Tell the homefolks how you're getting around Europe and make a pretty fare saving on the call.

Traveling through Europe can be a moving experience—and you want to stop just long enough to tell your family and friends about it. Check out the money-saving tips below, then give them a call. It's the first-class way to reach them—at bargain rates.



Save on surcharges. Many hotels outside the U.S. charge exorbitant surcharge fees for international calls. And sometimes the fees are greater than the cost of the call itself. But if your hotel has TELEPLAN, the way to keep hotel surcharges reasonable, go ahead and call. No Teleplan? Read on!

There are other ways to save money.

Save with a shortie. In most countries there's no three-minute minimum on self-dialed calls. So if your hotel offers International Dialing from your room, place a short call home and have them call you back. And you pay for the callback from the States

with dollars, not local currency, when you get your next home or office phone bill.

Save these other ways. Telephone Company Calling Card and collect calls may be placed in many countries. And where they are, the hotel surcharges on such calls are usually low. Or, you can avoid surcharges altogether by calling from the post office or from other telephone centers.

Save nights & weekends. Always check to see whether the country you're in has lower rates at night and on weekends. Usually the savings are considerable. Now you'll get more mileage for your money.



Bell System

'Gallipoli': Idealism Under Fire

By Thomas Quinn Curtiss
International Herald Tribune

PARIS — Peter Weir, whose "Picnic at Hanging Rock," revolving about the unsolved disappearance of a young woman at a 1900 finishing school, disclosed an uncommon knack for period recreation.

Seasoned Performers Analyze Stage Fright

By Susan Heiler Anderson
New York Times Service

NEW YORK — Turbulent stomach, shaky hands, parched throat, wobbly knees, accelerated heartbeat, sweaty palms. The symptoms are familiar to people in love, students before exams, lawyers in courtrooms, athletes before a contest. But performers must confront them night after night, as the first step in building the complex relationship between artist and audience.

Stage fright, as the symptoms are commonly called, is basically the fear of not living up to the audience's expectations. "Are they going to be able to portray the character?" Dr. Alexander Thomas, a professor of psychiatry at New York University Medical Center, says of actors. "Fear of exposure, of risk-taking," says Gerald Freedman, the Broadway director. "Anyone who puts himself on the line as a performer wants to be loved for his expertise in his craft," says Paul Sperry, a tenor.

In order to establish rapport with the audience the performer must first get on stage. "Nervousness belongs to performing," writes Seymour Bernstein in "With Your Own Two Hands," a primer for pianists. "It plagues almost everyone who performs and it can in some cases reach appalling dimensions." Bernstein, himself a pianist, cites such sufferers as Arthur Rubinstein and the late Gregor Piatigorsky. "Moreover, the wondrous playing of such artists derives more from their ability to channel their nervous energy than from the measures they take to allay its effects," Bernstein says.

Combatting Jitters

Performers themselves tell grim tales of pre-performance jitters and how they assuage them. "I combat it by rational and non-rational means," says Michael Tilson Thomas, the conductor. "Rational — I go through the details of a piece. Non-rational — I touch a pin my grandmother gave me." Benny Goodman does "a sort of meditation," he says. "Also, stage fright diminishes once you go on."

Getty Art Museum To Get \$1 Billion Left by Tycoon

Reuters

LOS ANGELES — The J. Paul Getty Museum here is to receive an endowment of \$1 billion from the late oil tycoon's estate, a Getty spokesman said Tuesday.

Harold Williams, the museum foundation's chief executive officer, said all legal and tax obstacles to the estate had now been resolved.

When he died at 83 in 1976, Getty left a will giving a large portion of his wealth to the museum. But the money was tied up in the courts while his son, Ronald, and eldest granddaughter, Anna Catherine, contested the will.

Barbara Brink, speaking for the museum, said the \$1 billion meant it had twice as much money at its disposal as the Metropolitan Museum of Art in New York.

She said Getty bequeathed \$700 million in stock to the museum, built on a hillside overlooking the Pacific Ocean, but the stock had appreciated since his death.

The museum already has one of the world's finest collections of Greek and Roman antiquities in addition to paintings by European masters and French decorative art.

Williams said "some of the money will be used to enhance the collection, and a significant portion to enhance the visual arts field in broad terms."

Florida's Dali Museum

By Orval Jackson
United Press International

ST. PETERSBURG, Fla. — Cleveland industrialist A. Reynolds Morse's insistence that his art collection remain intact and the enthusiastic action of local and state officials has given birth to the Salvador Dali Museum, which will be dedicated here Sunday.

The new museum will house the largest single collection in the world of the works of the Spanish Surrealist. The collection, appraised in 1980 at \$35 million, includes 93 oil paintings, plus watercolors, drawings, graphics, sculptures, etchings on glass and a library of about 5,000 books, periodicals, documents and films by and about the artist.

Morse and his wife, Eleanor, have been collecting Dali works since 1942. They became close friends of Dali and his wife, Gala, and they are among the few people Dali has invited into his home overlooking the Mediterranean at Port Ligat, Spain.

The Morses have housed their Dali collection since 1971 in a wing of their office building in Cleveland. They began searching in 1979 for a permanent home for the collection. They received several offers but the insistence by Morse that none of the items be sold and that all be kept in one place ruled out most.

Two early candidates were the state of Colorado, Morse's home state, and the Humanities Research Center at the University of Texas. Then a group of St. Petersburg residents began a drive to bring the collection to Florida. With the support of local and state officials, the group came up with a site adjacent to the local campus of the University of South Florida.

The museum is a renovated warehouse on property donated by the city, adjacent to Poynter Park, donated to the city by Nelson Poynter, late publisher of the St. Petersburg Times and Evening Independent. Initial funding included a \$2-million grant from the state.

The museum will be supported by two incorporated charitable foundations — the Dali Foundation, which will handle conservation and operation of the museum, and the Dali Institute, responsible for funding and development.

The museum has 10,000 square feet of display space and will serve as both a cultural and educational institution offering rotating exhibitions from the collections, as well as speakers and a film series on Dali and Surrealism.

There will be a private dedication Sunday, with additional private showings Monday and Tuesday before the museum opens to the public on March 10. Neither Dali, 77, nor his wife Gala, 88, will be able to attend the dedication for reasons of health, a spokeswoman for the museum said.



Mei Gibson, Mark Lee in "Gallipoli."

ation and macabre innuendo, has broadened his scope in "Gallipoli," which opens here March 10.

Operating on a canvas of heroic proportions, he has sought to reproduce the battle waged in 1915 at a Turkish peninsula outpost when 35,000 Australian and New

Zealand soldiers were ordered to participate in the vain Allied attempt to control the Dardanelles. The campaign resulted in defeat and colossal slaughter, and Weir has staged the gigantic dance of death engrossingly and is deserving of full marks for technical expertise. His objective, however, was not solely to produce a spectacular epic of a disaster of the Great War. Behind the dark page of history he has animated on the screen, he had another story to tell, and that story which he obviously designed as the core of his film he has managed less adroitly.

His scenario recounts the initial meeting of two Australian youths at a track event in their homeland — the younger of the pair is training as a long-distance runner — and of their subsequent reunion when they are under arms and plunged into the inferno of Gallipoli. Both are fired with a touching idealism that even the fury of the carnage and the ever-present fear of death fails to extinguish.

There is a wistful beauty to their spirit, skin to that which sings in the verse of the English soldier poets of 1914-18. Yet this lyric note sounds only indistinctly amid the thunder of explosions and the roar of cannons. The inner story is overshadowed and its message partially muted by the graphic vision of the war itself. To fully accomplish his purpose, Weir must be obliged to plumb his duo of characters far more deeply. As it is they are but sketched faintly in the writing. Fortunately, Mark Lee and Mel Gibson, with their excel-

lent performances, endow the leading roles with moving reality.

It is heartening to spy a new talent on the cosmic horizon in Francis Perrin. Perrin is known to French theatergoers and for tiny bits he has done before the cameras, but he now receives top-billing in "Tête à claques" which he has directed himself. He deserves better material and might have written some himself for he is an inventive artist as his performances on the stage have attested.

His platform for operations here is based on an Alex Vassour novel,

The Last Foreign Jews in China

By Liu Hsiung Shing
The Associated Press

HARBIN, China — During the Cultural Revolution in the mid-1960s, Hannah Agre snuffed her wooden Star of David deep inside her thin mattress so the Chinese Red Guards wouldn't find it. They would have smashed her bedroom brass bed, too, but they didn't know it was made by Russian Jews.

The 73-year-old woman and the Star of David that hangs in her tiny room are relics of a flourishing community of 10,000 Russian Jews in what once was called the "Moscow of the East."

Agre is said to be the last Jew in Harbin, a city of 2.2 million in northeast China about 350 miles southwest of the Soviet Asian border. She is one of the two known surviving foreign Jews in China. The other is Max Lebowitz, 75, a Polish Jew in Shanghai. Official Chinese publications say there are 500 to 1,000 Chinese who are Jews. The publications claim, however, they no longer are practicing Jews.

"I am a Harbiner and I have lived in this very room for 36 years," Agre said in a recent interview, speaking in Russian and Yiddish. "But I am a Russian Jew and my heart goes to Mother Russia."

As for Israel, she is not interested. "I don't want to go there. Israel can do without me," she said.

For Agre, stooped, haggard and nearly toothless, life revolves around food, visits of bering and potato.

"Please buy me black bread, buy me herring, buy me potatoes and tomatoes in oil," she pleads. "I can't help talking so much about food. I am so old, I can't die tomorrow."

As an old Russian Jew who never learned Chinese, Hannah Agre is specially isolated in a country which regards the Soviet Union as its No. 1 adversary.

"My soul is so unhappy — I could write a book about my sufferings," she said.

She is one of about 55 Soviet citizens in Heilongjiang province, 43 of them in Harbin, according to provincial officials. The number of Soviet nationals in China is not known.

In Harbin some Chinese contemptuously call the

few remaining Soviet citizens *lao mao tze* — old hairy boys — because of their beards. One Chinese woman says her Chinese neighbors won't allow their children to play with hers.

Agre lives in a cramped, second-story room in an old synagogue, converted to apartments and offices for the Xunhu district prosecutor and tax bureau.

Across the street stands another brownstone synagogue, now a hotel for police dignitaries and a recreation center for policemen. A sign has replaced the Star of David over the entrance and it hails the police precinct as a "Pioneer Unit of the Patriotic Sanitation Campaign."

Down the street once thronged with Jewish traders is the former Jewish old-age home. It was occupied by the army during the Cultural Revolution and now is a hospital for Chinese truck drivers. The Star of David over the door has been painted over in white but it still shows through.

Agre was born in Harbin when the Russian railroad barons built the tracks linking Siberia with Vladivostok. Her mother was born in Toush, Siberia. Her father was a Ukrainian Jew from Noghin who worked on the railroad.

House Was Confiscated

She once owned a house, but it was confiscated by the Chinese government during the land reform of the early 1950s. Now she lives alone in a room where the heating pipes are ice cold in the winter and she burns coal for night warmth. Each night she retires at 6 p.m. to her old brass bed.

Many years ago she divorced her husband, a Russian sea captain. Her brothers and sisters have died.

Two years ago her old Tatar servant died and his earthen room has been sealed off according to custom with a strip of white paper. Inside are stacks of dusty records of Jews who lived in Harbin.

"We do not mistreat them just because the Soviet Union is anti-China," he said. "This is a humanitarian issue."

The hardest part of a

business trip should be the business.

Not the trip.

If you've ever landed in America feeling like you just swam the Atlantic, it's time you flew Pan Am Clipper® Class.

Because no-one does more than Pan Am to deliver the business traveller in great shape to do business.

Pan Am Privileges

At the airport we quickly relieve you of your baggage (First Class allowance, by the way) at our special Clipper Class check-in. We board you separately, with the First Class passengers.

We put you in your own separate section of the 747 aircraft on generously reclining seats that are scientifically designed for long distance comfort. Set in pairs, so you are never more than one seat away from the aisle.

Pan Am Service.

We treat you to complimentary cocktails and comfortable cushioned headsets, the better to appreciate our stereo music programme and feature films.

And we serve you from what must be the choicest menu across the Atlantic.

Little wonder then that by the time the movie comes round, many passengers are so relaxed that their eyelids close with the opening titles. A process which our seat, we admit, does nothing to discourage.

What is truly remarkable is that Clipper Class fares are often actually lower than business class fares on other airlines.

Pan Am's Destinations.

You can fly Clipper Class on all of these non-stop Pan Am transatlantic flights: London to New York, Houston, Washington, D.C., Miami, Los Angeles, San Francisco and Seattle/Tacoma. Frankfurt and Munich to New York. Paris-Orly to New York. Rome to New York. Dhahran to New York.

At the Pan Am Worldport® in New York, you can catch same-day, non-stop connections to another 12 US destinations. Including Dallas/Fort Worth, New Orleans and Detroit.

Clipper Class is also available on Round-the-World services, and many routes within the United States. If you are booked on a US connecting flight which doesn't have Clipper Class service, your Clipper Class ticket automatically entitles you to fly First Class.

So next time business takes you to the States, take Pan Am Clipper Class. You may sleep through the movie, but you'll be wide awake when you arrive.

 **PAN AM®**
Clipper Class

FOR ALL THE DETAILS, CONTACT YOUR TRAVEL AGENT OR PHONE PAN AM.

Save Gasoline: Tax It

General Motors's new mid-size "A-body" cars are just what the doctor ordered. They use fuel sparingly and have a clean, high-tech look resembling Japan's best. There is only one hitch: Not many Americans are buying them. GM's older, less efficient mid-size cars in the "G-body" line are outselling the A-cars by about 3 to 1.

Some Detroit watchers blame the company's marketing strategy: A-cars are more expensive than the competition. But Ford and Chrysler are also having trouble selling their fuel savers. There is reason to think that the real reason is sagging gasoline prices, reviving the U.S. taste for big cars. Stable — and high — prices are needed to protect the United States' huge stake in fuel-efficient transportation. The best way to manage that is with a gasoline tax.

In 1980, fresh off the long gas lines, only 12 percent of Americans wanted to buy large cars. A year later, 17 percent wanted to. The current sales patterns document this change. That doesn't seem to bother the Reagan administration, which directs some of its great free-market passions to energy. If Americans are willing to pay the competitive price to fuel their gas-guzzlers, why should government stop them?

The answer is that the price at the pump, the competitive price, reflects just a fraction of the true cost to society. Roughly a third of the oil Americans burn, as well as two-thirds of the oil used by the industrial allies, has to be imported. Western security and prosperity depend on access to foreign oil. Thus, in any reasonable accounting, some of the hundreds of billions spent on defense are genuine energy costs.

There are other implicit costs. World oil

prices are extremely sensitive to demand. Whether oil costs \$30 or \$60 a barrel turns on changes in consumption of perhaps only 10 or 20 percent. Hence the United States' failure to switch to small fuel-efficient cars as quickly as possible could sharply increase the West's total energy bill. And greater uncertainty about what cars Americans will want to buy forces the auto companies, and auto-workers, to take financial risks they are no longer able to bear.

Lee Iacocca, Chrysler's chairman, urges a 25-cent-a-gallon tax to keep gasoline prices rising faster than inflation. That is small change compared with the hidden cost of imported oil. European countries tax gasoline by a dollar or more, and it would not be hard to defend a tax that gradually brings U.S. prices to their level.

Each additional penny of tax would raise a billion dollars. Probably the best use of such revenues would be no use at all: They might be returned in per-capita rebates, restoring private purchasing power while preserving the incentive to conserve gasoline. With or without rebates, it would not be hard to find constructive uses for the money.

A gasoline tax is not possible, say political realists. Maybe. But by the same logic, three-hour waits at the gas pump and 40 percent unemployment in the auto industry are not possible. A gasoline tax could reduce the billions in tribute annually paid to OPEC, limit the risk of another oil embargo and, as a bonus, smooth the recovery of the United States' largest industry.

It is not political realism but timidity to shrink from energy policies the country desperately needs. Tax gasoline.

THE NEW YORK TIMES.

A Better Budget Idea

The U.S. administration's budget embarrassment is generating a lot of helpful suggestions that are bright, plausible and fundamentally wrong. Sen. Robert Dole, chairman of the Finance Committee, observes that present law would cut income tax rates in July, cut them again in 1983 and then index them to inflation. Why not, he proposes, cancel the 1983 cut and instead proceed immediately to index them?

Here's a better idea: Why not cancel both the 1983 cut and the whole scheme for indexation? Of the two, indexation is by far the more dangerous. It will undercut any attempt to restrain inflation.

The purpose of indexation was to try to make the tax system inflation-proof. The theory was that if all tax brackets were lifted under an automatic formula at exactly the same rate as the cost of living, people would not be bumped into higher brackets by pay raises that only kept them even with inflation. The concept had a special appeal to fiscal conservatives, who argued that as long as inflation kept increasing tax revenues that way, Congress would only spend them.

Those are all nice thoughts. It's a pity that none of them is right. For example, Congress has never regarded lack of revenues as a fatal constraint on spending. Otherwise the country would not have had all those deficits over the years.

More important, indexation is not as simple as it looks — a lesson that you might think Congress would have learned from its

enormous errors and misjudgments in indexing the Social Security benefits in the 1970s. The present financial strains in the Social Security system, and the prospect that the benefits will outrun the system's income within the next year, can be wholly attributed to the mistakes in indexation. Now Congress has applied the same flawed principle on an even larger scale to the tax system.

Congress chose to tie the tax brackets to the consumer price index. Unfortunately, the CPI tends to overstate inflation. It rose 13.3 percent in 1979, compared with a rise of 8.7 percent in the GNP chain price index, an alternative measure that most statisticians consider more accurate. In 1980, the CPI rose 12.4 percent, while the chain price index rose 8.6 percent. Those are not trivial differences. As more is linked to the CPI, any attempt to correct its eccentricities will be fought by the people who benefit from them.

Suppose that another inflationary shock — another oil crisis, for example, or another bad harvest — hit a U.S. economy with indexed federal benefits and indexed tax brackets. In response, federal benefits would automatically rise while taxes would automatically be cut. Because of the peculiarities of the CPI, both the benefit increase and the tax decrease would probably be greater than the actual inflation rate.

Benefits up, tax revenues down. Does that sound like a way to balance the budget? Does it sound like a way to end inflation?

THE WASHINGTON POST.

Dr. Watt's Prescription

If he achieves nothing else by his televised announcement of a new plan to preserve the wilderness, U.S. Interior Secretary James Watt will probably succeed in leaving the impression in many people's minds that he is a protector of wild lands and wildlife — or at least that he's not half as bad as he's been painted. Considering the facts, that's quite an accomplishment.

"The wilderness should be preserved," said Mr. Watt, "and that's why the president and I will be asking Congress to preserve it." Never mind that Congress took care of that 18 years ago with the passage of the Wilderness Act, and that no one perceived the need for additional protections until Mr. Watt took office.

Having created a brand new problem by letting it be known that he would welcome mineral lease applications in wilderness areas and did not think wilderness status was a reason for not approving a mining permit, Mr. Watt proposed a remedy. It turns out, now that the details are available, to be the kind of medicine that treats the disease by killing the patient.

There is a moratorium on new permits to mine in the wilderness in effect until June, 1982. The Wilderness Act prohibits mining

THE WASHINGTON POST.

March 3: From Our Pages of 75 and 50 Years Ago

1907: Mrs. Eddy's Fortune

CONCORD, N.H. — Alleging that Mrs. Mary Baker Glover Eddy is now, and for a long time has been, incompetent to conduct her affairs, her son, Mr. George Glover of South Dakota, has filed a suit for accounting against her private secretary, assistant secretary and other prominent Christian Scientists. It is asserted that these defendants have possessed themselves of Mrs. Eddy's personal property and have carried on her business. In recent sensational charges made against Mrs. Eddy's household, her fortune was variously estimated at between \$15 million and \$40 million. Of her book "Science and Health," it has been estimated that 350,000 copies have been sold at \$3 to \$5 each.

1932: Lindbergh Kidnapping

HOPEWELL, N.J. — Charles Augustus Lindbergh Jr., 20-month-old only child of Col. and Mrs. Charles A. Lindbergh, was kidnapped from the Lindbergh home here. Despite the efforts of thousands of searchers throughout New Jersey and adjoining states, no clue to his whereabouts have been discovered, and police had only the faintest leads to follow. The baby was stolen in the absence of his nurse, who, on returning to the nursery, found the child's crib empty and a note demanding \$50,000 ransom. It ended: "We shall be back tomorrow to talk business." Mrs. Lindbergh remains in seclusion, prostrated with grief. It was revealed that she is expecting another child soon.

Why Is U.S. Buying the Myths Exported by South Africa?

By Donald Woods

The writer, a South African journalist who was "banned" for criticism of the government's racial policies, left his country four years ago and now lives in London. He contributed this article to The New York Times.

NEW YORK — The regime of Gen. Wojciech Jaruzelski, the Polish leader, has much in common with that of Prime Minister Pieter W. Botha of South Africa.

Crackdowns on trade unionists, imprisonment of dissidents without trial, rigid state control of television and radio, censorship of the press on certain topics, ban on freedom of movement and expression — these are characteristics of both regimes. Especially common to both is a deep dread of due process of law, as if nothing were more to be feared than a dissident's right to an open trial.

It is because of such similarities, and because both regimes represent values diametrically opposed to U.S. ideals of individual liberty, that black South Africans ask why the United States urged sanctions against Poland and vetoed sanctions against South Africa.

The grinding poverty in many rural South African areas, which have among the world's highest incidences of the malnutrition diseases called kwashiorkor and marasmus, must be seen to be believed, and the infant mortality rate among rural South Africans is a sickening indictment of a rich country.

Another myth is found in the implication that the Afrikaner nationalist administration in Pretoria deserves special consideration from the Western democracies for having supported the Allies in World War II.

The opposite is true: The party's leaders were pro-Nazi, and their attacks on Prime Minister Jan Christian Smuts's administration for supporting the Allies are on record, complete with anti-Semitic sentiments that today are swept under the carpet for expediency.

In claiming that South Africa is a significant bastion against Communism, the government propagates yet another myth. In fact, the apartheid regime, which constantly markets its anti-Communism abroad, is a continuing embarrassment to the democracies and a propaganda "plus" for the Soviet Union in its pitch to the Third World.

Then there is the well-nurtured belief that South Africa's strategic minerals are vital to the West and cannot be obtained elsewhere.

A detailed two-year study by the U.S. Senate's subcommittee on African affairs, published in 1980, shows this claim to be substantially inaccurate.

There are, of course, other products exported by the South African myth factory, occasionally well-packaged in wrappings of half-truth rather than blatant untruth in order to create confusion.

The government promotes the idea that white-ruled South Africa is militarily invincible against any challenge by blacks, that black South Africans are too ethnically disunited to mount and sustain such a challenge that apartheid is being reformed to an extent that obviates armed conflict.

Some myths are about to be tested by events, judging by the increasing incidence of sabotage and industrial strikes in the cities and the escalation of guerrilla attacks in rural areas, which could presage the final challenge to Africa's last surviving white government.

What should the response of the United States be? Surely, at least, a strict neutrality rather than any tacit alliance with tyranny. How would it look to a watching world if a president, more than a century after Abraham Lincoln showed tolerance for a regime that subjects most of its people to political and economic slavery imposed through 317 laws based on skin pigmentation?

Surely most Americans, armed with all the facts, would not long continue to allow their country to be branded as an ally of international bullies.

A convincing reply is needed, and soon, to those who defame the United States by ascribing its foreign policies to materialistic greed.

Say it ain't so, Uncle Sam.

-Letters-

Injured Parties?

Your front-page picture (IHT, Feb. 8) of Japan's Premier Zenko Suzuki and Lower House Speaker Heijime Fukuda, leading a rally demanding that the Soviet Union return four islands occupied in World War II, brought back memories.

I was a schoolboy in Sri Lanka when Japan bombed Pearl Harbor, bringing to the Pacific and Asia the war started in Europe by Germany and Italy. Total casualties worldwide, according to some of the most reliable sources, were 22 million military and civilian dead and 34 million wounded. Russia's share of this loss was 7.5 million military personnel killed or missing.

If these two gentlemen, together with the other participants in the rally, are appearing in the role of injured innocents, the play must be a comedy.

JAMES COOKE, Rome.

Help for Turkey

The Netherlands is refusing to grant economic and military aid to Turkey because of the overthrow of democratic rule in 1980" (IHT, Feb. 4). Other EEC countries are considering similar action. What did the EEC member nations do to help the democratic leadership in Turkey cope with the outrage of 100 killed weekly by terrorists?

The extensive terrorist network recently exposed in Italy is an indication that no democracy stands guaranteed survival.

ROGER DAVIES, London.

Sound Thinking

George Ball's superb article, "On Europe's Reasonable Objections to Reagan" (IHT, Jan. 30-31), is an extension of the same sound thinking evident in his warnings over the years about America's Vietnamese involvement. His advice on Europe is equally reflective of historical perspective and is worthy of the administration's closest consideration. Tragically, Ball's counsel with respect to Vietnam was ignored. Let's not make the same mistake twice.

DANIEL F. O'BRIEN, Barcelona.

Blatant Propaganda

The publication of the article by Tony Bower on denazification (IHT, Jan. 28) is propaganda in its most blatant form.

The article savagely attacks one of West Germany's most respected and admired postwar achievers, banker Hermann J. Abs, who, among his many other epoch-making accomplishments, helped guide West Germany back to economic prosperity and was instrumental in the effective use of the Marshall Plan.

It is amazing that all investigations of this man failed to reveal any complicity of Abs in Nazi terror or any knowledge of it. Yet after more than 35 years a publicity-seeking writer attempts to make a name for himself by slandering Abs (now in his 80s) and, through him, the German people.

H.W. SCHUTZMANN, Frankfurt.

Which Europe?

In reference to Mr. J.E. Peacock's call to reason on "European" disarmament (Letters, Jan. 20), may I pose the question: Which Europe is he talking about, East or West? Nobody knows the horror of war more than the Eastern European and Russian people. But unfortunately for the Western side, anti-nuclear protests by masses of people are simply not allowed in the Eastern bloc. The root of the problem lies here. There are still two Europe, divided and alien.

R. SWAINE, Paris.

INTERNATIONAL Herald Tribune

Published with The New York Times and The Washington Post

John Hay Whitney (1904-1982)
Chairman

Katharine Graham Arthur Ochs Sulzberger
Co-Chairmen

Lee W. Hulse Philip M. Folsom
Publisher Executive Editor

Walter N. Wells
Editor

Robert K. McCabe
Deputy Editors

Samuel Abt

Roland Pinson
Associate Publisher

René Bondy
Director of Finance

François Desmoulin
Director of Circulation

Richard H. Morgan
Director of Advertising

International Herald Tribune
1200 Avenue of the Americas
New York, N.Y. 10020
Tel: 212/512-6500 Telex: 812180 Herald Park Cable: Herald
Postmaster: Please address all correspondence to: International Herald Tribune, 1200 Avenue of the Americas, New York, N.Y. 10020. Second-class postage paid at New York, N.Y., and at additional mailing offices. Copyright 1982 International Herald Tribune. All rights reserved.
International Herald Tribune, No. 34, March 3, 1982. ISSN 0898-2633
International Herald Tribune, Inc. is a subsidiary of The New York Times Company, Inc.

BUSINESS NEWS BRIEFS

W. German-Led Group Alters China Steel Pact

Reuters

PEKING — A West German-led consortium has signed an amended agreement for the supply to China of a \$460-million steel mill for the troubled Baoshan complex near Shanghai.

Under the amendment, SMS Schleemann-Siemag will postpone delivery of equipment for the cold strip rolling mill by three years, the government news agency said Monday. Even after delivery, the equipment may be stored for as long as two years before being assembled, the news agency said.

China asked a year ago for a suspension of the rolling mill as part of an economic retrenchment program.

WestLB Expects Higher 1982 Operating Net

Reuters

DUESSELDORF — Westdeutsche Landesbank expects operating profit to improve this year after falling 30 percent in 1981 to a provisional 150 million Deutsche marks. Managing Board Chairman Friedel Neuber told a news conference Tuesday. He gave no figures for operating or final profit.

He said past commitments to long-term, fixed-rate lending continued to strain the bank's finances, as loans had to be refinanced through more expensive short-term borrowing. The volume of mismatched maturities has shrunk to under 9 billion DM from 10.8 billion DM early last year, but their cost to the bank had risen due to higher interest rates, he added.

GE Granted Right to Make and Sell VW Robots

Reuters

WOLFSBURG — Volkswagenwerke said it had concluded a licensing agreement that will permit General Electric to manufacture and sell VW industrial robots, principally in North America.

Under the five-year agreement, VW will start supplying GE immediately with industrial robots and parts. The accord sets no limit on the number of robots to be delivered.

VW, which has been making robots for its own needs since 1972, said it hopes to benefit the years ahead from the expertise that GE will acquire in robot technology.

Daimler, 2 Swiss Firms Form Truck Venture

Reuters

ZURICH — Swiss truck manufacturer Adolph Saurer said Tuesday that it agreed to form a company with Daimler-Benz and Oerlikon-Buehrle Holding to build trucks and buses in Arbon, Switzerland.

Daimler-Benz will take a 40-percent stake. Saurer and Oerlikon-Buehrle's holdings were not disclosed.

The new company will assemble vehicles under the Mercedes-Benz, Saurer and FBW names for the Swiss market and for export, using Mercedes-Benz parts. FBW buses are produced by FBW Fahrzeug, a company owned by Oerlikon-Buehrle and Daimler-Benz.

Braniff to Withhold Half of Employees' Salaries

Reuters

DALLAS — Braniff International said Monday it will pay its 9,500 employees only half their salaries this week to create additional cash for the ailing airline.

Braniff President Howard Putnam said the withholding of wages for one week will mean \$8 million in additional cash for the airline. The money will be repaid later, he said. Braniff recently announced a loss of \$161.1 million for 1981.

Romania Asks Rescheduling Of Commercial Debt to West

By Stephen Jukes

Reuters

FRANKFURT — Romania's Foreign Trade Bank has asked Western banks to reschedule 80 percent of its commercial debt due from 1981 and falling due in 1982, banking sources said Tuesday.

In a telex to the Western banks, the Foreign Trade Bank made clear that it is seeking a similar rescheduling on government-to-government and government-backed credits.

The telex, sent to a wide circle of Western banks, said: "To facilitate equality of treatment for all Romania's creditors we have decided that pending resolution of the proposed restructuring we shall not make further payments to our creditors in respect of debts which are proposed to form part of the restructuring."

The telex did not mention how much debt is due. However, bankers estimate that arrears on all debt to the West, including supplier credits, total roughly \$1.2 billion from 1981, with a further \$1.5 billion falling due this year.

The Romanians proposed rescheduling the debt over 6½ years at a rate of interest set at 1½ percentage points over the London interbank offered rate, which currently is about 15½ percent, with a three-year grace period on principal repayments.

The remaining 20 percent of the principal and interest on it would continue to be paid. The bank said the only exception to its request for rescheduling will be for credits granted to Romania after its telex, dated March 1, banking sources said.

The Romanian bank stressed that it will continue to meet obliga-

Fail to Honor Spot Deals

ZURICH (Reuters) — Romania failed to honor a number of spot foreign exchange contracts in recent days, said Franz Galilker, general manager of Swiss Bank Corp. Answering questions at a press conference, he said his bank would refuse to agree to any rescheduling of Romanian debt until these amounts are paid.

Mr. Galilker accused the Romanians of using "Wild West methods" and said their behavior was unacceptable.

SBG is still owed about \$10 million on outstanding spot foreign exchange transactions, and other major Swiss and foreign banks have had similar experiences, he said. "We gave them the Swiss francs on one day, and did not get the promised dollars the next," he said.

Poland, meanwhile, still owes \$75 million of interest on its 1981 debt, and a rescheduling agreement is unlikely to be signed before the beginning of next month, SBC general manager Francis Christie said. A date for the signing will be set only once all the interest has been paid to the 501 banks involved in the rescheduling, he told a press conference.

The Polish side originally said it would make all the interest payments by Feb. 15 and proposed March 4 as the signing day.

COMPANY REPORTS

Revenue and profits, in millions, are in local currencies unless otherwise indicated

Britain/Netherlands

	1981	1980
Revenue.....	2,960	2,707
Profits.....	712	722
Per Share (1).....	0.1977	0.1787
Per Share (2).....	0.65	0.56
Year.....	1981	1980
Revenue.....	11,191	10,150
Profits.....	390.2	260.1
Per Share (1).....	1.0804	0.7541
Per Share (2).....	3.036	2.549
1: Unilever plc in Sterling; 2: Unilever in guilders. All other results in Sterling.		

Canada

	Bank of Nova Scotia
1st Qtr.....	1981
Revenue.....	63.6
Profits.....	1.37
Per Share.....	1.22

Husky Oil

	1981	1980
Revenue.....	1,516	921
Profits.....	43.6	25.8
Per Share.....	1.18	0.78

Switzerland

	Swiss Bank Corp.
Year.....	1981
Balance Sheet.....	67,552

United States

	Stevens (I.P.J.)
1st Qtr.....	1981
Revenue.....	633.3
Profits.....	2.13
Per Share.....	0.15

ATTENTION ALL INTERNATIONAL CONTRACTORS

We are one of the specialized construction material suppliers in Kuwait and for Iraq.

We stock all kinds of reinforcing steel (mild/deformed/prestressed concrete rods/wire, etc.) cement (OPC/SRC/LHC/RHC, etc.) and at present supplying to various international contractors in Kuwait and Iraq. If you have any requirements for the above including machinery and other building materials please do not hesitate to contact us.

Our telex N° 22321 A/B Nasar KT. TEL: 816094/831484.

B. Lewis, Managing Director
NASSER A. ALQATAMI & Co.,
P.O. Box 42252, Shuwaikh, KUWAIT.

Hitachi to Provide Chip Technology to Hewlett-Packard

By Steve Lohr
New York Times Service

and Nippon Electric, hold more than 70 percent of the market for 64K RAMs.

The deal was struck at Hewlett-Packard's request, made initially last summer, according to Manabu Kuwae, a spokesman for Hitachi. In its statement, Hitachi said that the request was accepted with an eye toward "building up friendly relations between the enterprises of the two countries."

After the announcement, Shintaro Abe, minister of international trade and industry, said the agreement "represents a growing view in the Japanese quarters concerned that it is important for Japanese and U.S. semiconductor manufacturers to enhance co-prosperity" through cooperative activity.

Under the terms of the basic agreement, Hitachi will supply Hewlett-Packard with vital photolithographic "masks" for placing the microscopic grid of the 64K RAM on a slice of silicon.

Hitachi may also sell production equipment to Hewlett-Packard and send engineers to advise the U.S. company on the

production of 64K memories. Certain other details, including how much Hewlett-Packard will pay Hitachi, also remain to be worked out.

Hitachi will be the first Japanese semiconductor maker to provide a U.S. company with production technology for the 64K RAM.

Japan's Ministry of International Trade and Industry encouraged the deal. "MITI has been advising Hitachi and other Japanese semiconductor manufacturers to respond favorably to requests from U.S. companies to share knowhow," said Ikuasaburo Kashima, deputy director of MITI's America-Oceania division, which handles trade relations between the two countries.

But analysts and industry executives here say that Hewlett-Packard, a leading producer of minicomputers and electronic equipment, is more a user of semiconductors than a supplier. Hewlett-Packard has been buying 64K memories from Hitachi since

the Japanese company began commercial production of them last spring.

Accordingly, Hitachi is seen as firming up its link with a favored customer, instead of lending a helping hand to a competitor, some analysts say. "Japanese companies are increasingly trying to develop closer relationships with customers in the United States," said Hisamichi Sawa, a director of Bachs Halsey Stuart Shields, said, "and this deal is a big step in that direction for Hitachi."

"You'll notice that Hitachi isn't providing its technology to Texas Instruments, National Semiconductor or other real competitors," said an executive with a U.S. company's subsidiary.

A second competitor said that it is likely that in return for its knowhow, Hitachi has received some assurance that, through direct sales or licensed production, it will supply a growing share of Hewlett-Packard's semiconductor needs.

The average finished the day off about 2.57 points to 825.82. Advances led declines by around 810 to 670 and volume swelled to 64 million shares from 53 million Monday.

One undercutting the rally was an increase in the broker loan rate by two major banks in 15 percent from 14½ percent, analysts said. Changes in the broker loan rate often precede changes in the prime rate.

Michael Metz of Oppenheimer & Co. said the earlier gains were primarily the result of a "liquidity rally," in which institutions with large cash positions started reinvesting in stocks. Thus, much of the trading activity centered on heavily capitalized and cyclical issues, popular stocks among portfolio managers.

Mr. Metz said the market was caught in a cross-current when the oil stocks started falling.

British Petroleum accepted the BNOC price cut proposal and analysts said other major producers are expected to do the same.

Losers included General American Oil off 2½ to 30, Texas International 1½ to 16½, Phillips 1½ to 30¾, Cities Service 1¾ to 27½, Atlantic-Richfield ½ to 35½ and Standard Indiana 1½ to 30½.

Shares was the volume leader for the second day in a row, up ½ to 18 million of some 1.3 million shares. The company said it could not explain the activity in its stock.

Other retailers were also strong, with K Mart up ¾ to 15½ in active trading, Dayton-Hudson one to 32½, Mercantile Stores 2½ to 57, and Pier One ½ to 5½.

CURRENCY RATES

Interbank exchange rates for March 2, 1982, excluding bank service charges.

	£	DM	FF	ILS	GBP	SEK	DKC
Amsterdam	2,607	109.76	41.01	2,204	5,982	138.90	32.6
Brussels (e)	4,372.5	79.55	18.76	2,405	16,757	22,237	5.46
Frankfurt	2,275.5	102.00	42.07	2,015	14,750	20,214	3.84
London (e)	2,275.5	102.00	42.07	2,015	14,750	20,214	3.84
London (o)	2,275.5	102.00	42.07	2,015	14,750	20,214	3.84
London (s)	2,275.5	102.00	42.07	2,015	14,750	20,214	3.84
London (w)	2,275.5	102.00	42.07	2,015</td			

NYSE Nationwide Trading Closing Prices March 2

Tables include the nationwide prices up to the closing on Wall Street.

12 Month Stock		Yld	Ykl P/E	Sl.	Close	Chg	High	Low	Qst	Class
TPF	44% AAR	.44	5.9	16	8	8	324+	14		
58	33% ACF	2.26	7.4	7	153	324%	324%	150	146	
20%	18% AMF	1.24	7.4	10	253	154%	154%	146	146	
125%	11% AM Int'l				276	144	136	114	114	
74%	3% API				5	46	44	44	44	
37%	23% ARA	2	4.1	7	129	34%	24%	34%	14	
50%	22% ASA	.48	1.5	12	260	153%	153%	150	148	
32%	11% AVX	.32	1.5	12	260	174%	174%	174	174	
22%	23% AvlBld	.75	2.5	14	1324	214%	214%	206	206	
25%	17% AcmeC	1.40	4.2	8	73	214	204	224	224	
9%	8% AcmeC	1.20	3.9	7	103	42	34	31	31	
24%	6% AdmBds	.04	3	6	12	124	124	124	124	
15%	12% AdmEx	2.26	2.5	8	24	74	74	74	74	
7%	8% AdmMu	.20			23	19	19	19	19	
21	16% AMD				14	512	48	512	48	
47%	32% AmfLJ	2.20	5.2	13	124	45%	45%	45%	45	
51%	12% Ammns				12	114	114	114	114	
72%	12% Ammns				12	124	124	124	124	
48%	71% AmPrv	.50	2.5	13	24	274	274	274	274	
17%	74% AmPrfri	.49	5.2	13	23	314	314	314	314	
15%	91% Arizona	.80	7.8	11	42	164	164	164	164	
22%	15% AmMee	n			15	15	15	15	15	
27%	23% AlcP	PIA132	16	16	19	254	244	254	254	
6%	51% AlcP	PIA157	15	15	210	54	54	54	54	
61	53% AlcP	PI 9	16	16	250	55	55	55	55	
65%	35% AlcP	PI 9.44	14	14	220	514	514	514	514	
50%	46% AlcP	PI 12.4	11	11	5	14	14	14	14	
16	13% Alenco	1.92	4.2	4	24	134	134	134	134	
33%	12% AlskInt	.40	4.2	4	24	134	134	134	134	
36%	22% Alsm	1.20	4.2	4	24	134	134	134	134	
1614	75% Alberto	.50	12.6	6	73	124	124	124	124	
25%	25% Alston	1.00	12.6	6	73	124	124	124	124	
45	19% Alstom	1.80	12.6	6	73	124	124	124	124	
57%	18% Alstom	51.00	5.2	6	73	124	124	124	124	
18%	20% Alstom	11.34	4.4	11	55	7	194	70	194	
18%	78% Alstom				55	7	194	70	194	
50%	78% Alstom				55	7	194	70	194	
57%	27% AlstomCo	1.00	2.2	8	12	124	124	124	124	
22%	17% AlstomCo	PI 2.54	2.2	8	12	124	124	124	124	
55%	25% AlstomCo	1.40	5.2	4	24	124	124	124	124	
10%	14% AlstomCo	PI 2.19	14	14	24	154	154	154	154	
17%	70% Alst	PICT1.25	15	15	62	724	724	724	724	
18%	15% AlstPw	2.16	12	6	1130	164	164	164	164	
22%	15% AlstPw	1	7.3	7	32	124	124	124	124	
39%	34% AlstPw	1.40	6.4	4	1440	324	324	324	324	
24%	46% AlstCo	PI 6.74	14	14	37	414	414	414	414	
34%	43% AlstCo	PI 12	14	14	24	124	124	124	124	
11	51% AlstPd	.30	2.2	7	24	224	224	224	224	
51%	15% AlstPd	.10	2.2	7	24	224	224	224	224	
1914	18% Alstel	.10	4	4	47	154	154	154	154	
22%	12% Alstel	n.26	4	4	47	154	154	154	154	
51%	12% Alstel				47	154	154	154	154	
34%	14% Alstel	PI 2.54	17	17	22	224	224	224	224	
25%	25% Alstel	1.40	5.2	4	24	124	124	124	124	
17%	70% Alstel	PICT1.25	15	15	62	724	724	724	724	
18%	15% Alstel	2.16	12	6	1130	164	164	164	164	
22%	15% Alstel	1	7.3	7	32	124	124	124	124	
39%	34% Alstel	1.40	6.4	4	1440	324	324	324	324	
24%	46% AlstCo	PI 6.74	14	14	37	414	414	414	414	
34%	43% AlstCo	PI 12	14	14	24	124	124	124	124	
11	51% AlstPd	.30	2.2	7	24	224	224	224	224	
51%	15% AlstPd	.10	2.2	7	24	224	224	224	224	
1914	18% Alstel	.10	4	4	47	154	154	154	154	
22%	12% Alstel	n.26	4	4	47	154	154	154	154	
51%	12% Alstel				47	154	154	154	154	
34%	14% Alstel	PI 2.54	17	17	22	224	224	224	224	
25%	25% Alstel	1.40	5.2	4	24	124	124	124	124	
17%	70% Alstel	PICT1.25	15	15	62	724	724	724	724	
18%	15% Alstel	2.16	12	6	1130	164	164	164	164	
22%	15% Alstel	1	7.3	7	32	124	124	124	124	
39%	34% Alstel	1.40	6.4	4	1440	324	324	324	324	
24%	46% AlstCo	PI 6.74	14	14	37	414	414	414	414	
34%	43% AlstCo	PI 12	14	14	24	124	124	124	124	
11	51% AlstPd	.30	2.2	7	24	224	224	224	224	
51%	15% AlstPd	.10	2.2	7	24	224	224	224	224	
1914	18% Alstel	.10	4	4	47	154	154	154	154	
22%	12% Alstel	n.26	4	4	47	154	154	154	154	
51%	12% Alstel				47	154	154	154	154	
34%	14% Alstel	PI 2.54	17	17	22	224	224	224	224	
25%	25% Alstel	1.40	5.2	4	24	124	124	124	124	
17%	70% Alstel	PICT1.25	15	15	62	724	724	724	724	
18%	15% Alstel	2.16	12	6	1130	164	164	164	164	
22%	15% Alstel	1	7.3	7	32	124	124	124	124	
39%	34% Alstel	1.40	6.4	4	1440	324	324	324	324	
24%	46% AlstCo	PI 6.74	14	14	37	414	414	414	414	
34%	43% AlstCo	PI 12	14	14	24	124	124	124	124	
11	51% AlstPd	.30	2.2	7	24	224	224	224	224	
51%	15% AlstPd	.10	2.2	7	24	224	224	224	224	
1914	18% Alstel	.10	4	4	47	154	154	154	154	
22%	12% Alstel	n.26	4	4	47	154	154	154	154	
51%	12% Alstel				47	154	154	154	154	
34%	14% Alstel	PI 2.54	17	17	22	224	224	224	224	
25%	25% Alstel	1.40	5.2	4	24	124	124	124	124	
17%	70% Alstel	PICT1.25	15	15	62	724	724	724	724	
18%	15% Alstel	2.16	12	6	1130	164	164	164	164	
22%	15% Alstel	1	7.3	7	32	124	124	124	124	
39%	34% Alstel	1.40	6.4	4	1440	324	324	324	324	
24%	46% AlstCo	PI 6.74	14	14	37	414	414	414	414	
34%	43% AlstCo	PI 12	14	14	24	124	124	124	124	
11	51% AlstPd	.30	2.2	7	24	224	224	224	224	
51%	15% AlstPd	.10	2.2	7	24	224	224	224	224	
1914	18% Alstel	.10	4	4	47	154	154	154	154	
22%	12% Alstel	n.26	4	4	47	154	154	154	154	
51%	12% Alstel				47	154	154	154	154	
34%	14% Alstel	PI 2.54	17	17	22	224	224	224	224	
25%	25% Alstel	1.40	5.2	4	24	124	124	124	124	
17%	70% Alstel	PICT1.25	15	15	62	724	724	724	724	
18%	15% Alstel	2.16	12	6	1130	164	164	164	164	
22%	15% Alstel	1	7.3	7	32	124	124	124	124	
39%	34% Alstel	1.40	6.4	4	1440	324	324	324	324	
24%	46% AlstCo	PI 6.74	14	14	37	414	414	414	414	
34%	43% AlstCo	PI 12	14	14	24	124	124	124	124	
11	51% AlstPd	.30	2.2	7	24	224	224	224	224	
51%	15% AlstPd	.10	2.2	7	24	224	224	224	224	
1914	18% Alstel	.10	4	4	47	154	154	154	154	
22%	12% Alstel	n.26	4	4	47	154	154	154	154	
51%	12% Alstel				47	154	154	154	154	
34%	14% Alstel	PI 2.54	17	17	22	224	224	224	224	
25%	25% Alstel	1.40	5.2	4	24	124	124	124	124	
17%	70% Alstel	PICT1.25	15	15	62	724	724	724	724	
18%	15% Alstel	2.16	12	6	1130	164	164	164	164	
22%	15% Alstel	1	7.3	7	32	124	124	124	124	
39%	34% Alstel	1.40	6.4	4	1440	324	324	324	324	
24%	46% AlstCo	PI 6.74	14	14	37	414	414	414	414	
34%	43% AlstCo	PI 12	14	14	24	124	124	124	124	
11	51% AlstPd	.30	2.2	7	24	224	224	224	224	
51%	15% AlstPd	.10	2.2	7	24	224	224	224	224	
1914	18% Alstel	.10	4	4	47	154	154	154	154	
22%	12% Alstel	n.26	4	4	47	154	154	154	154	
51%	12% Alstel				47	154	154	154	154	
34%	14% Alstel	PI 2.54	17	17	22	224	224	224	224	
25%	25% Alstel	1.40	5.2	4	24	124	124	124	124	
17%	70% Alstel	PICT1.25	15	15	62	724	724	724	724	
18%	15% Alstel	2.16	12	6	1130	164	164	164	164	
22%	15% Alstel	1	7.3	7	32	124	124	124	124	
39%	34% Alstel	1.40	6.4	4	1440	324	324	324	324	
24%	46% AlstCo	PI 6.74	14	14	37	414	414	414	414	
34%	43% AlstCo	PI 12	14	14	24	124	124	124	124	
11	51% AlstPd	.30	2.2	7	24	224	224	224	224	



NATIONAL AND INTERNATIONAL PUBLIC BIDDING

**BID FOR SHARES OF COMPAÑIA NACIONAL DE TELEFONOS S.A.
CONATEVAL AND COMPAÑIA DE TELEFONOS DE COYhaique S.A.**

Corporación de Fomento de la Producción CORFO (Development and Production Corporation) hereby invites national and international investors interested in presenting offers for the purchase of the following shares.

- **Compañía Nacional de Teléfonos S.A. CONATEVAL**
(National Telephone Co.) 4.025.564 shares (80,51%)
- **Compañía de Teléfonos de Coyhaique S.A.**
(Coyhaique Telephone Co.) (per se and in behalf
of Entel) 245.721 shares (59,93%)

Reference terms and other information is available prior payment of \$ 1.000 (chilean currency) beginning January 11, 1982 in Moneda 921 office 822, or in the Regional Offices of CORFO in Puerto Montt and Coyhaique.

The bids should be sent in duplicate, and in closed envelope addressed to Vicepresidente Ejecutivo de CORFO, Moneda 921 office 825 on April 8, 1982 at 11:00 a.m.

The bids will be opened in front of the interested parties and before the Secretary General of CORFO, who will bear witness.

EXECUTIVE VICEPRESIDENT
CORPORACION DE FOMENTO, CHILE

J.K. Ruling Sets Stage for ACC Battle

Bell Group and Heron Pursue Film-TV Firm

From Agency Dispatches

LONDON — Britain's Appeal Court has opened the way for a possible takeover battle between rival financiers for control of the British television-movie empire of Associated Communications Corp.

Lord Grade, 75, stepped down as chairman of ACC six weeks ago after the company reported heavy losses, some of which resulted from the movie flop, "Raise the Titanic."

With his fellow directors, Lord Grade arranged that Australian millionaire Robert Holmes à Court, head of the Perth-based Bell Group, should succeed him as chairman. But the three Appeal Court judges ruled Monday that the ACC arrangements were unacceptable.

The court held that the directors failed to ensure the best terms for their shareholders, noting that Mr. Holmes à Court's bid of £26 million was topped by one of £49 million from Heron International, controlled by Gerald Ronson.

The judges also allowed Mr. Heron to pursue legal efforts to block the Bell Group deal.

In Perth, Mr. Holmes à Court acknowledged that "the Bell Group's bid is no longer relevant." "I think it [Bell] must withdraw that bid and rethink its position," he said in a radio interview Tuesday.

On a positive note, he observed that the higher Heron bid left a Bell Group subsidiary that holds about 51 percent of ACC's non-voting shares in a "very comfortable position." The Bell subsidiary stands to post a big increase in profit if it sells its ACC stake, he said.

Mr. Holmes à Court, 44, built his fortune on a textile operation and expanded his group to include interests in transportation, engineering, oil, minerals, hotels, television and newspapers.

Mr. Ronson, 42, built up his father's small real estate business into the Heron Corp., one of Britain's biggest private companies.

France to Link Interest On Savings to Inflation

Reuters

PARIS — France plans to introduce inflation-linked savings accounts for people with low incomes, a presidential spokesman said Tuesday.

The accounts, open to about 11 million households that do not pay income tax or pay little, would offer interest equal to consumer price inflation. The spokesman said legislation on the accounts will be presented early in April.

Kuwait Resorts to Belt-Tightening as Oil Income Shrinks

By Douglas Martin
New York Times Service

KUWAIT — Ice-skating in a lavish air-conditioned rink has emerged as a year-round fad in this desert emirate.

Such extravagance befits a country where the area around the swimming pool of a luxury hotel is air-conditioned so sunbathers stay cool while tanning, exotically designed multimillion-dollar villas sprout along palm-lined boulevards and the per capita income has jumped to more than \$20,000, about twice as much as in the United States.

Later, however, there are stirrings of trouble in Kuwait. After years of avoiding the problems plaguing less oil-rich economies, Kuwait is facing trade deficits and significant cutbacks in government spending.

The reason is the worldwide oversupply of petroleum. Kuwait is believed to be selling only 40 percent as much oil as it did a year ago, and for \$3 a barrel less. Daily oil revenues have fallen by more than half, to about \$20 million. Kuwait has no other exports.

As a result, Western analysts predict that the emirate's trade surplus of some \$8 billion last year — representing the difference be-

tween petroleum exports valued at \$15 billion and \$7 billion of imports — will be erased this year.

"Certainly we will not be in the same comfortable position we were before," Abdulla al-Hamad, minister of finance, said. In particular, he suggested that "fine-tuning in national priorities" will be necessary, and that some public works projects, such as parks and roads, may have to be postponed.

Kuwait has plenty of company. Only four of the 13 members of OPEC — Saudi Arabia, Qatar, the United Arab Emirates and Indonesia — are still producing enough oil to satisfy their basic budgetary requirements, according to Petroleum Intelligence Weekly, a trade publication.

This has led some OPEC members to develop two-tier budgets for 1982. Nigeria, for example, originally geared its budget to oil production of 2.2 million barrels a day, but has recently drawn up an alternative budget based on average production of 1.5 million barrels a day. Current Nigerian output is estimated at 1.8 million barrels a day.

In the case of Kuwait, reserves of \$76.2 billion will almost certainly enable it to meet

all its financial commitments in the near term. These include free medical care, education, heavily subsidized food, free land and interest-free loans to build houses and one of the world's largest foreign aid programs.

Kuwait, which has no tax of any kind, is giving no thought to taxing the estimated 600,000 Kuwaiti citizens or the 900,000 foreigners living in the country.

Nonetheless, Kuwait has been hit hard by its 2 to 3 million barrels a day in excess production and an industrywide tendency to dispose of inventories rather than pay the interest costs of carrying them. Although Kuwait's official production ceiling is 1.25 million barrels a day, analysts say output has fallen to about 600,000 barrels a day.

The reason is that considerably cheaper oil is available elsewhere. In particular, Iran recently slashed its price for its similar grade of heavy crude oil to \$28.30 a barrel. The price of Kuwaiti heavy crude is officially \$32.30 a barrel.

Adding to Kuwait's problems is its reputation for exceptional aggressiveness in pricing. Last year, when Saudi Arabia was selling its oil for \$32 a barrel, Kuwait's price for

similar crude was \$35.50 plus surcharges of as much as \$3 a barrel.

Kuwait's well-earned reputation for wringing the most it can from the market is based on the mechanism by which the country price its crude oil. In what amounts to a book-keeping transaction, Kuwait Petroleum Co., the national oil company, pays the government the official selling price for oil it buys. Then, it is able to resell the oil for a higher price by attaching surcharges or peddling oil on the spot, or noncontract, market, as can keep its profits.

The government entity used these profits to finance its purchase of the Santa Fe International Corp. last year, and would use similarly generated funds to buy European refining properties from Gulf Oil Corp. if a deal currently being negotiated is concluded.

Kuwait thus has a built-in bias against the price of oil.

For the future, Kuwaiti leaders say the country's 70 billion barrels of oil reserves will provide a steady income for at least a century, and fervently hope that the current budget strains will be temporary.

AT&T Launches Its First Eurobond Issue

Reuters

LONDON — American Telephone & Telegraph has launched its first Eurobond, a \$400-million, seven-year issue bearing an indicated coupon of 14% percent. Credit Suisse First Boston said Tuesday.

The issue has been rated triple-A by both Standard & Poor's and Moody's.

The pricing "is very, very aggressive," one dealer said, expressing a widely shared view. Recent new issues have been marketed to yield more than 15 percent. Final terms are to be set next week, but the bond is expected to be priced at par. The issue is callable in the fifth year at a premium of 1½ percent, freed AT&T to enter the lu-

crative fields of computer and information technology.

Overall, the Eurobond market remained firm. Although the federal funds rate was firm at 14½ percent Tuesday, Eurodollar deposit rates ended, with three-month money bid at 14 13/16 percent against 15 percent Monday and six-month money at 15 percent against 15 3/16 percent.

In other news, the city of Montreal floated a \$100-million, 10-year issue at par bearing a coupon of 13 1/4 percent.

In the Deutsche mark sector, the Italian state railway Ferrovie dello Stato launched a 150-million DM, five-year issue with an indicated coupon of 10½ percent and an issue price of 99 1/4 to yield 10.7 percent.

Issue Was Expected

AT&T had been expected to borrow in the Eurobond market ever since it agreed in January to divest itself of its local telephone service companies, bond managers noted. The divestiture, part of the settlement of the seven-year anti-trust case filed by the U.S. government, freed AT&T to enter the lu-

crative fields of computer and information technology.

Elliott Platt, an analyst at Donaldson, Lufkin & Jenrette Securities in New York, said he expects the bond issue to be delayed. In the firm's weekly Money Notes report, Mr. Platt said, "We suspect that the Treasury's request for increased authority to issue long bonds will result in further congressional deliberations on upcoming federal budget deficits" and a delay in passage of the authority.

Extending Maturity

William Griggs and Leonard Schow, analysts at J. Henry Schroder Bank & Trust, said the Treasury proposals may be opposed in Congress because of concern about the "crowding out" of other bond issuers.

The two analysts said in a weekly report that there is a strong case

for the Treasury to extend the maturity of its debt. But, they said, "that does not mean that selling close to \$5 billion of bonds every quarter, market conditions notwithstanding, is necessary or desirable." A limit of one long-term issue a quarter may be more appropriate than a limit on the amount of debt outstanding, they suggested.

Congressional sources said the issue may be more appropriately considered with the question of raising the Treasury's total debt ceiling from the present \$1.08 trillion, a matter expected to be considered in April or May.

Noting that some prominent Treasury officials have argued that the department should not be raising money in conventional long-term bonds at high interest rates, some Wall Street analysts suggest that the Treasury might not aggressively seek to raise the \$70-billion

BEAT INFLATION GUARANTEED

We offer term deposit accounts which produce maximum interest while at the same time giving flexibility of choice and absolute security for your money. Keep what you have earned and beat inflation with the following interest rates. GUARANTEED.

NET RETURN

DOLLAR (Can.)	17 %
PESETA (Span.)	15.25%
DOLLAR (U.S.)	17 %
STERLING (S)	15.75%
FRANC (French)	9.75%
MARK (Deutsch)	12.75%
FRANC (Swiss)	9.5 %

NO TAX

Private Banking Society
Lighthouse Development
Services, Inc.
P.O. Box 342, Louisville
Tel: 723-546. Telex: 2297 STRAS GRC

Write to Manager for further information.

Miners, Processors, & Shippers of E.P.A. Compliance and Other Low Sulphur Steam and Stoker Coals

Presently Shipping 1 Million Tons
With A Capacity to Ship 2 1/2 Million Tons



River Processing has the capacity and reserves to ship coal 365 days a year

RIVER PROCESSING, INC.

Enquiries Invited

Main Office Southern Distribution Sales Office
River Processing, Inc. Diversified Fuels, Inc.
P.O. Box 1055 Suite 504
Hazard, Kentucky 41701 1900 Winston Road
Phone: 506-439-2382 Kyiville, Tennessee 37919
Telex: 218-417 Phone: 615-690-8967
E. M. Bowling, Sales & Marketing Randy Edgemont, President

All the securities having been sold, that advertisement appears as a matter of record only

New Issue

March 3, 1982

BASF Overzee N.V.

Curaçao/Netherlands Antilles

U.S. \$ 165,000,000 11% U.S. Dollar Bonds due 1988 with Warrants

unconditionally and irrevocably guaranteed by

BASF Aktiengesellschaft
Ludwigshafen am Rhein/Federal Republic of Germany

Offering Price: 100%
Interest: 11% p.a., payable annually on March 1
on March 1, 1988 at par
Repayment: from April 26, 1982 20 Bearer Shares of BASF Aktiengesellschaft can be subscribed for per bond in the
Subscription Right: from April 26, 1982 20 Bearer Shares of BASF Aktiengesellschaft can be subscribed for per bond in the
denomination of U.S. \$ 1,000 at a subscription price of DM 133 per share
Listing: Luxembourg

Deutsche Bank

Aktiengesellschaft

Morgan Stanley International

Union Bank of Switzerland (Securities) Limited

Abu Dhabi Investment Company

Amro International Limited

Atlantic Capital

Corporation

Badische Chemische Landesbank

— Girozentrale —

Bank of America International

Limited

Bank Mees & Hope NV

Banque Française du Commerce Extérieur

Banque de Nîmes, Schlumberger, Mallet

Banque Privée de Gestion Financière-B.P.G.F.

H. Albert de Bary & Co. N.V.

Bayerische Vereinsbank

Aktiengesellschaft

Bankhaus Brüderl Bethmann

CIBC Limited

County Bank

Limited

Crédit du Nord

Daewoo Europe Limited

Deutsche Länderbank

Aktiengesellschaft

Drexel Burnham Lambert

Incorporated

Fuji International Finance

Limited

Girozentrale und Bank der

Österreichischen Sparkassen

Aktiengesellschaft

Georg Hauck & Sohn Bankiers

Kommanditgesellschaft auf Aktien

The Industrial Bank of Japan

(Luxembourg) S.A.

Kuwait Foreign Trading Contracting &

Investment Co. (S.A.K.)

Landesbank Schleswig-Holstein

Girozentrale

Lehman Brothers Kuhn Loeb International Inc

McLeod Young Weir International

Limited

Metzler seit. Sohn & Co.

Morgan Guaranty Ltd

Norddeutsche Landesbank

Girozentrale

Orion Royal Bank

Limited

Rowe & Pitman

Schröder, Münchmeyer, Hengst & Co.

Société Générale

Svenska Handelabanken

Union Bank of Norway</

The Luck of the Draw: Soviet Force in Poland

By Rob Hughes

International Herald Tribune

LONDON — In the past few days, Russians have begun probing the surface of Venus and the plans of Gen. Jaruzelski, Poland's military leader. To many of us who walk closer to the common man, a hard Soviet movement on Wednesday appears more poignant.

I refer to the visit of Dynamo Tbilisi to Warsaw for a European Cup Winners' Cup match which, coincidentally, represents the first overt Soviet presence in Poland since martial law was declared last December. However reluctantly we concede that sport and politics

SOCCER SCENE

are as indivisible as either is from life itself, the overriding question surely is: How will the Poles receive them?

Subdued, one would imagine and, for the safety of life, hope.

The irony is that this match was arranged by a draw — a free and unrigged draw — two days before martial law began. Unlike the shambles of the World Cup draw, political ramifications were not foreseen. Fate threw this one up.

Authority subsequently did what little it can. The referee, Ulf Ericsson is from neutral Sweden, is widely experienced and, as a former ice hockey player, has a strong nerve. Nevertheless, the dilemma of where to place one's emotions might niggle at the detached neutrality of this Nordic teaboomer.

Certainly the rest of us feel it. Which to support — Tbilisi, whose Georgians are scarcely wholehearted Russians, or Legia Warsaw, which is all too easily identified with a people's repression? Tbilisi, which plays with marvelous inventiveness and which one normally supports heart and soul, or Legia, the underdog with a more functional, anonymous team?

If idealism has a shout, Legia will have its day, winning against reason. And then Ramos, Schenck & Co. will dance their merry tune for the return match in Georgia, ultimately to carry their stylish soccer to the semifinals.

Indeed, the Cup Winners' Cup has an abundance of the flamboyant teams left in the quarterfinals of the European tournaments. In London, Tottenham Hotspur, far and away the most exciting entertainers of the English season so far, will attempt to add to spectacular progress in four competitions.

Spurs, with experienced Argentinian Ardiles holding the reins and building English playmaker Glenn Hoddle sprinkling guile and improvisation, have a fascinating tussle with West German organization in the shape of Eintracht Frankfurt. The West Germans, said to be £1 million in debt, promise to shackle Ardiles and Hoddle and to perplex the English with their sweeper system.

Hardest, But...

Meanwhile, Frankfurt has to breach a Tottenham rear guard, marshaled by international goal-keeper Ray Clemence, that has conceded a mere 3 goals in 13 games. "The hardest draw of all," said Eintracht trainer Lothar Buchmann, adding as a man fearing bankruptcy, "but financially the most lucrative."

The Cup Winners' contest between Standard Liege and Oporto of Portugal is altogether an unpredictable pairing. The Belgian club has a cosmopolitan mix including Simon Tamaha of the Dutch East Indies, Beatty Wendi of Sweden, René Botteron of Switzerland and Arie Haan of the Netherlands. Oporto, conquerors of AS Roma have experience and confidence.

Stronger, but not necessarily more attractive, are the remaining eight in the European Cup. Liverpool, the holder, plays the first leg at home against CSKA Sofia — a repeat of last season's quarterfinal.

That day the Bulgarians went to Liverpool hiding behind mass defense, and Graeme Souness led a 5-0 punishment of such negative opposition. Liverpool since then suffered a loss of form that many of us, foolish doubters of that great club's phenomenal regenerative powers, thought permanent.

But the wily Liverpool management introduced two younger players, Irishman Ronnie Whelan on the left and Welshman Ian Rush at center-forward, and, fearful of losing their places, the old team of champions suddenly began running with renewed power.

Ashton Villa, the other England representative, has drawn the short straw of the champion's competition — a 5,000-mile trip to Simferopol in the Crimea, where Dynamo Kiev, the almost-perfect Soviet champion, has placed its "home" match.

Villa is taking its own steaks and other food. Its players have been warned about the interminable airport holdups and about the ice and snow. They say they know nothing about the Russians (if true, a quaint naivete, since just about everyone else in international soccer is familiar with the Olympic sprint speed of Oleg Blokbin and the brilliant midfield combination of Leonid Burjuk and Vladimir Besenov.)

Ignorance, say Villa's players, can be bliss. It was, apparently, when they traveled to Dynamo Berlin and won, 2-0. The Russians, of course, think otherwise.

Tough Pick

Bayern Munich, once again the Bundesliga front-runner, possesses too much craft and experience for University Craiova, although he first leg away will tread warily. And Anderlecht vs. Red Star Belgrade is like Liege-Oporto, a pairing of equals: Anderlecht's recent form is the better, but the Young Boys are always most dangerous when written off. I don't do it.

The UEFA Cup has a far differ-

ent cocktail of accomplished wealthy clubs against, in two cases, virtual novices. Gothenburg, which travels to Valencia, and Neuchatel Xamax, which plays at Hamburg, would doubtless dispute that with full-blooded Swiss pride and are out to ridicule such pronouncements. I hope they do, particularly Huelva Xamax, which plays to crowds of 2,000 and is cunningly coached by frenchman Gilbert Gress, not to mention held together by Karl Engel, the Swiss No. 2 soccer.

Neither Real Madrid nor Kaiserslautern, which meet in Madrid, need friendly words to bolster their reputations, unlike our final pairing of Dundee United from Scotland and Radnicki Nis of Yugoslavia.

Dundee, with such aspiring youngsters as Paul Sturrock, keeps on apologizing for being in the competition, and then goes out and knocks fistfuls of goals past Monaco, Borussia Mönchengladbach and Winterthur. No one has told it that European competition is supposed to be a tighter, cat-and-mouse game.

Still, what do you expect from a side reared by Jim McEnroe, a strictly religious, nonsmoking teetotaler? "I was never suited to being a manager," says the canny Scot. "I'm not enough of a con man."

He also says, despite all Dundee's goals, he's worried about "Radnicki Whatzitsname."



At Wimbledon: Tantrums, fines and membership's door barred.

Notre Dame Copes With Unsought New Tradition — Losing

The Associated Press

SOUTH BEND, Ind. — The swagger is gone, tarnished by a futile 5-6 football season. The strut has turned into a halting stumble, battered by a sub-.500 basketball season.

Welcome to the winter of discontent at the University of Notre Dame, so formidable an institution that it is an incorporated community separate from the city of South Bend and has been as signed its own postmark.

Winning has been a tradition here forever, it seems, but lately losing has become an alarmingly frequent phenomenon.

Notre Dame — where the imposing Golden Dome dominates the landscape, where the Four Horsemen rode, where Rockne coached and the Gipper played, where a national image is on the line.

There was no bowl game last season for the football team, which, under new Coach Gerry Faust, had its first losing record since 1963. There won't be any tournament for the basketball team, suffering through its worst year since the decade of Digger Phelps began with a 6-20 nightmarish 1971-72.

It is only the fourth time in the storied history of the school that both the football and basketball teams will have lost more games than they won in the same academic year.

It has been a difficult adjustment for students and alumni. The gym remains jammed for basketball games and the football stadium will be sold out as usual next season. The faithful remain faithful. There is no groundswell demanding scraps. Yet. But both Faust and Phelps know that passion is not unlimited.

At Joe's Bar, where a Notre Dame elf (complete with derby) hangs on the wall, Phelps got the message one night from proprietor Joe Kucharsky. "We've got a replacement for you," Kucharsky warned. "He's named Win... Winsome Soon."

The clientele at Joe's has more patience with Phelps, who's one of the family after 10 years in town, than for newcomer Faust. "He has to make a showing next season," said Kucharsky of Faust. "He has the material. Now he has to win."

Phelps says his players are handling the adversity well, "just like the kids on the 6-20 team did. That's the kind of players we find, kids who can deal with the ups and downs. Winning is important, but not the most important thing in life. I think losing prepares them better for life."

Notre Dame's basketball recruiting last year was ragged. There are only two freshmen on the varsity this season, and one of them is injured. Phelps said several other top prospects decided against South Bend because of the distance from their hometowns. That never was a problem before, though.

Lost for one reason or another were such blue chippers as Missouri's Steve Stipanovich, Darren Daye of UCLA, Jim Master of Kentucky and Wichita State's Greg Dierling. And 6-foot-11 Joe Kleine, buried as a freshman behind 1981's talented senior-laden team, transferred to Arkansas.

Phelps says the disappointment of this season has given him new resolve. "I'm committed to recruiting two classes back-to-back, to getting the right people at the right positions and making a run for it to be one of the best in the country."

Alumni like Leo Barnhorst, '49, would like that. Barnhorst played basketball under the legendary Moose Krause and is deeply involved with the Notre Dame Foundation, which has raised \$8 million to maintain scholarships for non-revenue sports on campus. He feels Phelps is responsible for the current basketball predicament.

"I'm not pleased," he said. "He knows that. He failed to recruit."

Phelps has felt the heat. "There's some negative mail, sure," he said. "But it's in the minority. People realize we're rebuilding. The only two I hear from regularly are Father Hesburgh and Father Joyce and they've been positive."

Priorities

The Rev. Theodore M. Hesburgh, president of the university, and the Rev. Edmund P. Joyce, its executive vice president and treasurer, have guided Notre Dame's fortunes for 30 years. Both agree on the place sport occupies in the scheme of things at South Bend.

"First things come first and the

Transactions

From Agency Dispatches

BALTIMORE — Fernando Valenzuela and his agent have been unable to agree on salary terms with the Los Angeles Dodgers, so the defending world champions have unilaterally renewed the pitching sensation's contract for 1982.

The Dodgers said Monday night that Valenzuela, who last year became the first pitcher ever to receive the Cy Young and rookie-of-the-year awards, will be the highest-paid second-year major league in history.

Terms were not announced, but the contract reportedly calls for the 21-year-old left-hander to receive \$300,000, the club's original offer. Through his agent, Valenzuela is said to have asked for at least \$1 million for 1982.

Negotiating meetings had proved fruitless. Valenzuela, who earned \$42,500 last year, was 13-7 with a 2.48 earned-run average and led the majors in shutouts (8) and strikeouts (180).

Valenzuela has no recourse in the matter except to remain on the sidelines. As a second-year player, he was not eligible for salary arbitration. Under terms of the Basic Agreement, clubs are allowed to renew contracts of second-year men between March 1-10. A team can cut the salary of a player whose contract is renewed by a maximum of 20 percent.

BIRDS — Handed Tom Brothman defensive coordinator and quarterback coach.

OAKLAND — Tom Walsh assistant coach for research.

HARTFORD — Signed John Conroy interim coach.

MLB RANGERS — Assigned Mike Allison, left wing, to Springfield of the America's Hockey League.

ARKANSAS — Announced the resignation of Jim McEnroe as men's tennis coach.

BOISE — Announced the resignation of Mike McNamee, athletic director.

INDIANA ST. — Handed Dave Scheidt head basketball coach, effective at the end of post-season play.

INDIANA ST. — Signed John Crotty interim coach.

INDIANA ST. — Signed John Crotty interim

Observer

Contra-Deceptive

By Russell Baker

NEW YORK — THE STORY: The Reagan administration has issued a new rule stating that if persons under 18 obtain birth-control devices the federal government must send a note home to their parents.

AN IDEA IS BORN: The minutes of the White House brain-storming session on how to reduce government paper work show that a brain-stormer (not identified in the minutes) cried, "Let's have the government send notes home to the parents of all the kids who get contraceptive devices."

Critics (also unidentified): "That would increase paperwork, not reduce it."

Brainstormer: "But once the kids find out we're squealing on them they'll stop getting contraceptives. The number of notes sent home to parents will decline dramatically and we can take credit for a huge slash in bureaucratic paperwork."

DISTRESSING TARDINESS STATISTICS: Principals of the Theodore Roosevelt, Carrie Chapman Catt and George Washington Cable high schools all report a soaring percentage of twelve o'clock scholars in their student bodies. Surveys in the Roosevelt, Catt and Cable school districts have noted hundreds of teen-age students idling on the front steps of their houses as late as 11:30 in the morning.

Investigation indicates that most are waiting for the mailman. After examining the day's delivery, they generally leave it in the mail slot and rush off to school, though occasionally a student is seen igniting a single envelope with a cigarette lighter.

NOTE FATIGUE: Josiah Barnstable, parent, had a trying week. First, there was the note sent home by the principal. Then the note from the algebra teacher. Then the note from the school psychologist. The note from the federal government was more than he could bear to open.

He wrote a note of his own before taking a lethal dose of aspirin and sent it home to his parents. It said, "Why didn't you tell me that



parenthood was just one damn note after another?" The unopened note from the federal government was not about his daughter's buying a bottle of pills, however. It was an order from the Internal Revenue Service for him to report immediately for a tax audit.

FAMILY CRISIS: Foraker had dreaded this moment: "That it should come to this," wept Mrs. Foraker, waving the note that had been sent home by the government about young Lemuel.

"I told you if you named that boy Lemuel he'd wind up acquiring birth-control devices," she sobbed.

"There, there, my dear. I'll speak to the lad," Foraker sighed, but language failed him when he tried. If the government's tattletales were right, it was too late to start with the birds and the bees. Lemuel would probably humiliate him by delivering a dissertation on embryology, a subject of which Foraker knew virtually nothing.

FEDERAL UNFAIRNESS DECRED: It was a typical neighborhood cocktail party. All the parents were talking about their children. Within the past month all had received notes from the government reporting their children had obtained birth-control devices.

All that is, except for the Clonplings. When they left, the Clonplings were in terror about their 17-year-old daughter Cora. "Are you absolutely sure we didn't get a note from the government?" Clonpling asked his wife.

"Not a chance," she said. "You'll have to ask Cora yourself," he said.

"I couldn't do that. It would make her feel dull if I told her she was the only kid in the neighborhood who'd been left out."

Clonpling was furious. An influential Republican, he wrote to an influential senator. "Fair's fair," he wrote. "If the government is going to notify some parents that their kids have birth-control devices, it has a duty to warn other parents whose kids don't."

DENOUEMENT: Tempers were short at the weekly White House brain-storming session. If Congress passed the new universal birth-control-device-notification bill, the volume of paperwork would soar. "Look at the bright side," somebody urged. "It'll justify the Post Office in raising the price of stamps again."

New York Times Service

Investigation indicates that most are waiting for the mailman. After examining the day's delivery, they generally leave it in the mail slot and rush off to school, though occasionally a student is seen igniting a single envelope with a cigarette lighter.

NOTE FATIGUE: Josiah Barnstable, parent, had a trying week. First, there was the note sent home by the principal. Then the note from the algebra teacher. Then the note from the school psychologist. The note from the federal government was more than he could bear to open.

He wrote a note of his own before taking a lethal dose of aspirin and sent it home to his parents. It said, "Why didn't you tell me that

parenthood was just one damn note after another?" The unopened note from the federal government was not about his daughter's buying a bottle of pills, however. It was an order from the Internal Revenue Service for him to report immediately for a tax audit.

FAMILY CRISIS: Foraker had dreaded this moment: "That it should come to this," wept Mrs. Foraker, waving the note that had been sent home by the government about young Lemuel.

"I told you if you named that boy Lemuel he'd wind up acquiring birth-control devices," she sobbed.

"There, there, my dear. I'll speak to the lad," Foraker sighed, but language failed him when he tried. If the government's tattletales were right, it was too late to start with the birds and the bees. Lemuel would probably humiliate him by delivering a dissertation on embryology, a subject of which Foraker knew virtually nothing.

FEDERAL UNFAIRNESS DECRED: It was a typical neighborhood cocktail party. All the parents were talking about their children. Within the past month all had received notes from the government reporting their children had obtained birth-control devices.

All that is, except for the Clonplings. When they left, the Clonplings were in terror about their 17-year-old daughter Cora. "Are you absolutely sure we didn't get a note from the government?" Clonpling asked his wife.

"Not a chance," she said. "You'll have to ask Cora yourself," he said.

"I couldn't do that. It would make her feel dull if I told her she was the only kid in the neighborhood who'd been left out."

Clonpling was furious. An influential Republican, he wrote to an influential senator. "Fair's fair," he wrote. "If the government is going to notify some parents that their kids have birth-control devices, it has a duty to warn other parents whose kids don't."

DENOUEMENT: Tempers were short at the weekly White House brain-storming session. If Congress passed the new universal birth-control-device-notification bill, the volume of paperwork would soar. "Look at the bright side," somebody urged. "It'll justify the Post Office in raising the price of stamps again."

New York Times Service

Investigation indicates that most are waiting for the mailman. After examining the day's delivery, they generally leave it in the mail slot and rush off to school, though occasionally a student is seen igniting a single envelope with a cigarette lighter.

NOTE FATIGUE: Josiah Barnstable, parent, had a trying week. First, there was the note sent home by the principal. Then the note from the algebra teacher. Then the note from the school psychologist. The note from the federal government was more than he could bear to open.

He wrote a note of his own before taking a lethal dose of aspirin and sent it home to his parents. It said, "Why didn't you tell me that

parenthood was just one damn note after another?" The unopened note from the federal government was not about his daughter's buying a bottle of pills, however. It was an order from the Internal Revenue Service for him to report immediately for a tax audit.

FAMILY CRISIS: Foraker had dreaded this moment: "That it should come to this," wept Mrs. Foraker, waving the note that had been sent home by the government about young Lemuel.

"I told you if you named that boy Lemuel he'd wind up acquiring birth-control devices," she sobbed.

"There, there, my dear. I'll speak to the lad," Foraker sighed, but language failed him when he tried. If the government's tattletales were right, it was too late to start with the birds and the bees. Lemuel would probably humiliate him by delivering a dissertation on embryology, a subject of which Foraker knew virtually nothing.

FEDERAL UNFAIRNESS DECRED: It was a typical neighborhood cocktail party. All the parents were talking about their children. Within the past month all had received notes from the government reporting their children had obtained birth-control devices.

All that is, except for the Clonplings. When they left, the Clonplings were in terror about their 17-year-old daughter Cora. "Are you absolutely sure we didn't get a note from the government?" Clonpling asked his wife.

"Not a chance," she said. "You'll have to ask Cora yourself," he said.

"I couldn't do that. It would make her feel dull if I told her she was the only kid in the neighborhood who'd been left out."

Clonpling was furious. An influential Republican, he wrote to an influential senator. "Fair's fair," he wrote. "If the government is going to notify some parents that their kids have birth-control devices, it has a duty to warn other parents whose kids don't."

DENOUEMENT: Tempers were short at the weekly White House brain-storming session. If Congress passed the new universal birth-control-device-notification bill, the volume of paperwork would soar. "Look at the bright side," somebody urged. "It'll justify the Post Office in raising the price of stamps again."

New York Times Service

Investigation indicates that most are waiting for the mailman. After examining the day's delivery, they generally leave it in the mail slot and rush off to school, though occasionally a student is seen igniting a single envelope with a cigarette lighter.

NOTE FATIGUE: Josiah Barnstable, parent, had a trying week. First, there was the note sent home by the principal. Then the note from the algebra teacher. Then the note from the school psychologist. The note from the federal government was more than he could bear to open.

He wrote a note of his own before taking a lethal dose of aspirin and sent it home to his parents. It said, "Why didn't you tell me that

parenthood was just one damn note after another?" The unopened note from the federal government was not about his daughter's buying a bottle of pills, however. It was an order from the Internal Revenue Service for him to report immediately for a tax audit.

FAMILY CRISIS: Foraker had dreaded this moment: "That it should come to this," wept Mrs. Foraker, waving the note that had been sent home by the government about young Lemuel.

"I told you if you named that boy Lemuel he'd wind up acquiring birth-control devices," she sobbed.

"There, there, my dear. I'll speak to the lad," Foraker sighed, but language failed him when he tried. If the government's tattletales were right, it was too late to start with the birds and the bees. Lemuel would probably humiliate him by delivering a dissertation on embryology, a subject of which Foraker knew virtually nothing.

FEDERAL UNFAIRNESS DECRED: It was a typical neighborhood cocktail party. All the parents were talking about their children. Within the past month all had received notes from the government reporting their children had obtained birth-control devices.

All that is, except for the Clonplings. When they left, the Clonplings were in terror about their 17-year-old daughter Cora. "Are you absolutely sure we didn't get a note from the government?" Clonpling asked his wife.

"Not a chance," she said. "You'll have to ask Cora yourself," he said.

"I couldn't do that. It would make her feel dull if I told her she was the only kid in the neighborhood who'd been left out."

Clonpling was furious. An influential Republican, he wrote to an influential senator. "Fair's fair," he wrote. "If the government is going to notify some parents that their kids have birth-control devices, it has a duty to warn other parents whose kids don't."

DENOUEMENT: Tempers were short at the weekly White House brain-storming session. If Congress passed the new universal birth-control-device-notification bill, the volume of paperwork would soar. "Look at the bright side," somebody urged. "It'll justify the Post Office in raising the price of stamps again."

New York Times Service

Investigation indicates that most are waiting for the mailman. After examining the day's delivery, they generally leave it in the mail slot and rush off to school, though occasionally a student is seen igniting a single envelope with a cigarette lighter.

NOTE FATIGUE: Josiah Barnstable, parent, had a trying week. First, there was the note sent home by the principal. Then the note from the algebra teacher. Then the note from the school psychologist. The note from the federal government was more than he could bear to open.

He wrote a note of his own before taking a lethal dose of aspirin and sent it home to his parents. It said, "Why didn't you tell me that

parenthood was just one damn note after another?" The unopened note from the federal government was not about his daughter's buying a bottle of pills, however. It was an order from the Internal Revenue Service for him to report immediately for a tax audit.

FAMILY CRISIS: Foraker had dreaded this moment: "That it should come to this," wept Mrs. Foraker, waving the note that had been sent home by the government about young Lemuel.

"I told you if you named that boy Lemuel he'd wind up acquiring birth-control devices," she sobbed.

"There, there, my dear. I'll speak to the lad," Foraker sighed, but language failed him when he tried. If the government's tattletales were right, it was too late to start with the birds and the bees. Lemuel would probably humiliate him by delivering a dissertation on embryology, a subject of which Foraker knew virtually nothing.

FEDERAL UNFAIRNESS DECRED: It was a typical neighborhood cocktail party. All the parents were talking about their children. Within the past month all had received notes from the government reporting their children had obtained birth-control devices.

All that is, except for the Clonplings. When they left, the Clonplings were in terror about their 17-year-old daughter Cora. "Are you absolutely sure we didn't get a note from the government?" Clonpling asked his wife.

"Not a chance," she said. "You'll have to ask Cora yourself," he said.

"I couldn't do that. It would make her feel dull if I told her she was the only kid in the neighborhood who'd been left out."

Clonpling was furious. An influential Republican, he wrote to an influential senator. "Fair's fair," he wrote. "If the government is going to notify some parents that their kids have birth-control devices, it has a duty to warn other parents whose kids don't."

DENOUEMENT: Tempers were short at the weekly White House brain-storming session. If Congress passed the new universal birth-control-device-notification bill, the volume of paperwork would soar. "Look at the bright side," somebody urged. "It'll justify the Post Office in raising the price of stamps again."

New York Times Service

Investigation indicates that most are waiting for the mailman. After examining the day's delivery, they generally leave it in the mail slot and rush off to school, though occasionally a student is seen igniting a single envelope with a cigarette lighter.

NOTE FATIGUE: Josiah Barnstable, parent, had a trying week. First, there was the note sent home by the principal. Then the note from the algebra teacher. Then the note from the school psychologist. The note from the federal government was more than he could bear to open.

He wrote a note of his own before taking a lethal dose of aspirin and sent it home to his parents. It said, "Why didn't you tell me that

parenthood was just one damn note after another?" The unopened note from the federal government was not about his daughter's buying a bottle of pills, however. It was an order from the Internal Revenue Service for him to report immediately for a tax audit.

FAMILY CRISIS: Foraker had dreaded this moment: "That it should come to this," wept Mrs. Foraker, waving the note that had been sent home by the government about young Lemuel.

"I told you if you named that boy Lemuel he'd wind up acquiring birth-control devices," she sobbed.

"There, there, my dear. I'll speak to the lad," Foraker sighed, but language failed him when he tried. If the government's tattletales were right, it was too late to start with the birds and the bees. Lemuel would probably humiliate him by delivering a dissertation on embryology, a subject of which Foraker knew virtually nothing.

FEDERAL UNFAIRNESS DECRED: It was a typical neighborhood cocktail party. All the parents were talking about their children. Within the past month all had received notes from the government reporting their children had obtained birth-control devices.

All that is, except for the Clonplings. When they left, the Clonplings were in terror about their 17-year-old daughter Cora. "Are you absolutely sure we didn't get a note from the government?" Clonpling asked his wife.

"Not a chance," she said. "You'll have to ask Cora yourself," he said.

"I couldn't do that. It would make her feel dull if I told her she was the only kid in the neighborhood who'd been left out."

Clonpling was furious. An influential Republican, he wrote to an influential senator. "Fair's fair," he wrote. "If the government is going to notify some parents that their kids have birth-control devices, it has a duty to warn other parents whose kids don't."

DENOUEMENT: Tempers were short at the weekly White House brain-storming session. If Congress passed the new universal birth-control-device-notification bill, the volume of paperwork would soar. "Look at the bright side," somebody urged. "It'll justify the Post Office in raising the price of stamps again."

New York Times Service

Investigation indicates that most are waiting for the mailman. After examining the day's delivery, they generally leave it in the mail slot and rush off to school, though occasionally a student is seen igniting a single envelope with a cigarette lighter.

NOTE FATIGUE: Josiah Barnstable, parent, had a trying week. First, there was the note sent home by the principal. Then the note from the algebra teacher. Then the note from the school psychologist. The note from the federal government was more than he could bear to open.

He wrote a note of his own before taking a lethal dose of aspirin and sent it home to his parents. It said, "Why didn't you tell me that

parenthood was just one damn note after another?" The unopened note from the federal government was not about his daughter's buying a bottle of pills, however. It was an order from the Internal Revenue Service for him to report immediately for a tax audit.

FAMILY CRISIS: Foraker had dreaded this moment: "That it should come to this," wept Mrs. Foraker, waving the note that had been sent home by the government about young Lemuel.

"I told you if you named that boy Lemuel he'd wind up acquiring birth-control devices," she sobbed.

"There, there, my dear. I'll speak to the lad," Foraker sighed, but language failed him when he tried. If the government's tattletales were right, it was too late to start with the birds and